

September 17, 2019

To,  
**BSE Ltd.**  
Corporate Relationship Department  
P J Towers, Dalal Street, Fort,  
Mumbai – 400 001

**Scrip Code: 530145**

**Subject: Corrigendum to the Annual Report for the Financial Year 2018-19**

Dear Sir/ Madam,

This has reference to the captioned subject, we hereby inform you that certain inadvertent, typographical printing and typesetting errors were noticed in the Annual Report 2018-2019 after the same were dispatched to the Members/Shareholders through courier and through electronic mode on August 28, 2019. A Corrigendum has accordingly been published today i.e. September 17, 2019, in newspapers viz. Business Standard (All edition) - English language and Mumbai Lakshdeep (Mumbai edition) - Marathi language.

As such, in compliance with Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the corrigendum published for your ready reference and record.

We further wish to inform you that the said corrections has no impact on the statement of profit and loss account of the Company for the financial year ended March 31, 2019 and that this corrigendum should be read in conjunction with the printed Annual Report 2018-2019. Except for the specific changes as mentioned in the Corrigendum, there is no other revision in the printed Annual Report 2018-2019.

The Annual Report with the correction is available on the website of the Company at [www.kisangroup.com](http://www.kisangroup.com).

In this connection, we sincerely regret for the inconvenience caused.

Thanking you,  
Yours faithfully,  
For **KISAN MOULDINGS LIMITED**



**DHARAK MEHTA**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**ICSI MEMBERSHIP NO. ACS40502**

Encl.: As above

## 6 COMPANIES

bounded as follows: On or towards East: By the Gram Panchayat Road viz. R.K. Parulekar Marg. On or towards West: By the property of Kashinath Babaji Danadekar, C.T.S. No. 1271, On or towards South: By the property of Kashinath Babaji Danadekar, C.T.S. No. 1271, On or towards North: By the Chawl of Ramji Agrawal, C.T.S. Nos. 1243, 1145 & 1257

3. All that pieces and parcels of Land adm. 1302.5 Sq.Mtrs. bearing Survey No. 196/H/D (City Survey Nos. 1156 to 1159 and 1251 to 1254/P) of Village - Palghar, Taluka Palghar, Dist. Palghar and bounded as follows: On or towards East: By the Bhaji Market Road, On or towards West: By the Shanta Dunga Complex, On or towards South: By the Private Marginal Road and West of C.T.S. No. 1254 belonging to Shri Talwalkar, On or towards North: By the Amber Shopping Mall.

4. All those pieces and parcels of the 3 Shops and 17 Office Premises in the project known as "Ashoka Shopping Centre" constructed on the Lands mentioned at Nos.1 to 3 herein above written and having the following particulars:

### ASHOKA SHOPPING CENTRE (Ground + 2 Upper Floors)

| Sr. No. | Floor        | Shop / Office No. | Carpet Area / Sq.ft |
|---------|--------------|-------------------|---------------------|
| 1.      | Second Floor | Shop No. 201      | 371                 |
| 2.      | Second Floor | Shop No. 202      | 371                 |
| 3.      | Second Floor | Shop No. 207      | 371                 |
| 4.      | First Floor  | Office No. 101    | 413                 |
| 5.      | First Floor  | Office No. 102    | 371                 |
| 6.      | First Floor  | Office No. 103    | 371                 |
| 7.      | First Floor  | Office No. 105    | 371                 |
| 8.      | First Floor  | Office No. 106    | 371                 |
| 9.      | First Floor  | Office No. 107    | 371                 |
| 10.     | First Floor  | Office No. 108    | 252                 |
| 11.     | First Floor  | Office No. 109    | 252                 |
| 12.     | First Floor  | Office No. 110    | 252                 |
| 13.     | First Floor  | Office No. 111    | 252                 |
| 14.     | First Floor  | Office No. 112    | 252                 |
| 15.     | First Floor  | Office No. 113    | 189                 |
| 16.     | First Floor  | Office No. 114    | 189                 |
| 17.     | First Floor  | Office No. 116    | 110                 |
| 18.     | First Floor  | Office No. 117    | 189                 |
| 19.     | First Floor  | Office No. 118    | 189                 |
| 20.     | First Floor  | Office No. 119    | 189                 |

together with undivided proportionate share in the said Landed properties more particularly described in Nos. 1 to 3 hereinabove written

Sd/-  
Date: 11-09-2019  
Place: Palghar  
Encore Asset Reconstruction Company Private Limited  
Authorised Officer

**KISAN MOULDINGS LIMITED**  
(CIN: L17120MH1989PLC054305)  
Regd. Office: Text Centre, K wing, 3<sup>rd</sup> Floor, 26-A,  
Chandival Road, Off. Saki Vihar Road, Anchari (East), Mumbai - 400 072.  
Tel: 022 - 4230 9100 / 9200 Fax: 022-2847 8506  
E-mail: gs.kisan@kisangroup.com; Web-site: www.kisangroup.com

### NOTICE CORRIGENDUM TO THE ANNUAL REPORT OF KISAN MOULDINGS LIMITED FOR THE FINANCIAL YEAR 2018-19 FOR THE ATTENTION OF THE SHAREHOLDERS OF THE COMPANY

The Shareholders of Kisan Mouldings Limited are requested to take note of corrections ( inadvertent printing and type setting errors) as appearing hereunder with respect to and in connection with the Annual Report of the Company for the Financial Year 2018-19 as dispatched to its Members / Shareholders through courier and electronic mode on August 28, 2019.

1. In Note 29: Revenue from Operations, please read "other operating revenues" for the financial year ended March 31, 2018 as under:

| Particulars                  | Standalone Financial Statements For the year ended March 31, 2018 (On Page No. 89) | Consolidated Financial Statements For the year ended March 31, 2018 (On Page No. 131) |
|------------------------------|--|---|
| Other operating revenues     |  |   |
| Insurance claim              | 221.92   | 221.92  |
| Sales-Scrap                  | 48.00  | 48.00   |
| Sales -Other than empty bags | 44.74  | 44.74   |

Total and other part of the note no. 29 shall remain unchanged/ same.

2. In Note 37 - Other expenses, amount of "Other expenses" of auditors' remuneration which was missed should be read as under:

| Particulars    | Standalone Financial Statements (On Page No. 92) |
|----------------|--|
|                | For the year ended March 31, 2019                |
|                | For the year ended March 31, 2018                |
| Other expenses | 0.15   |
|                | 0.69   |

Total and other part of the note no. 37 shall remain unchanged/ same.

This corrigendum is available on the website of the Company viz. www.kisangroup.com. This corrigendum should be read in conjunction with the printed Annual Report 2018-19.

We sincerely regret the inconvenience caused in the matter.

By order of the Board of Directors of

For KISAN MOULDINGS LIMITED

Sd/-

Dharak A Mehta

Company Secretary & Compliance Officer

(CIN: L17120MH1989PLC054305)

Place: Mumbai

Date: September 16, 2019

IBAI | TUESDAY, 17 SEPTEMBER 2019 **Business Standard**

Test have online  
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Allahabad Bank



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Marines, customers  
and



Syndicate Bank's MD & CEO, Mr. Mrutyunjay Mahapatra along with Mr. Y. Nageshwar Rao, Executive Director, Syndicate Bank today met Honorable Chief Minister of Karnataka, Mr. B.S. Yediyurappa at his official residence and presented a cheque of Rs.1.00 crore.

### Indian Bank launches new CSR initiative 'Project Shakti'

With a view to enhance the ability and employment lifecycle of its differently abled workforce, Indian Bank has launched a new CSR initiative called, "Project Shakti", in association with SBI Foundation. As per the MoU signed between Indian Bank and SBI Foundation, an appropriate framework will be established to foster all-round as well as an inclusive growth path for the differently abled employees. The project was



launched by Ms. Padmaja Chunduru, MD & CEO, Indian Bank and Executive Directors of the bank. The MoU was signed by Mr. P. C. Dash, General Manager (HR), Indian Bank and Mr. Nixon Joseph, President and COO, SBI Foundation in the presence of Ms. Padmaja Nair, Advisor, SBI Foundation and Executive Directors of Indian Bank Mr. M K Bhattacharya and Mr. V V Shenoy.





September 17, 2019

To,  
**BSE Ltd.**  
Corporate Relationship Department  
P J Towers, Dalal Street, Fort,  
Mumbai – 400 001

Scrip Code: 530145

**Subject: Re-submission of Annual Report for the Financial Year 2018-19 to rectify the Typographical Error**

Dear Sir/ Madam,

With reference to the above captioned subject, we would like to inform you that, we have dispatched the Annual Report for the Financial Year 2018-19 to the Members/Shareholders through courier and through electronic mode and also put the same on BSE Listing portal on August 28, 2019. However certain inadvertent, typographical printing and typesetting errors were noticed by the Company in the Annual Report for the Financial Year 2018-19 which were as follows:

1. In Note 29: Revenue from Operations, please read "Other operating revenues" for the financial year ended March 31, 2018 as under:

(Amount in Lakhs)

| Particulars                     | Standalone Financial Statements For the year ended March 31, 2018<br>(On Page No. 89) | Consolidated Financial Statements For the year ended March 31, 2018<br>(On Page No. 131) |
|---------------------------------|---|--|
| <b>Other operating revenues</b> |   |  |
| Insurance claim                 | 221.92  | 221.92   |
| Sales-Scrap                     | 48.00   | 48.00  |
| Sales -Other than empty bags    | 44.74   | 44.74  |

Total and other part of the note no. 29 shall remain unchanged/ same.

2. In Note 37 : Other expenses, amount of "Other expenses of auditors remuneration" which was missed should be read as under:

(Amount in Lakhs)

| Particulars    | Standalone Financial Statements<br>(On Page No. 92) |                                   |
|----------------|---|-----------------------------------|
|                | For the year ended March 31, 2019                   | For the year ended March 31, 2018 |
| Other expenses | 0.15  | 0.69                              |

Total and other part of the note no. 37 shall remain unchanged/ same.





We further wish to inform you that the said corrections has no impact on the statement of profit and loss account of the Company for the financial year ended March 31, 2019. The revised Annual Report for the Financial Year 2018-2019 is enclosed herewith for your information and records and the same is also available on the website of the Company at [www.kisangroup.com](http://www.kisangroup.com).

Further a Corrigendum in this regard has been published today i.e. September 17, 2019, in newspapers viz. Business Standard (All edition) - English language and Mumbai Lakshdeep (Mumbai edition) - Marathi language.

Kindly take the above on your record.

Thanking you,  
Yours faithfully,

For KISAN MOULDINGS LIMITED



**DHARAK MEHTA**  
COMPANY SECRETARY & COMPLIANCE OFFICER  
ICSI MEMBERSHIP NO. ACS40502

Encl.: As above

# Kisan Mouldings Limited

Annual Report 2018-19

**HIGH PERFORMANCE  
HIGH QUALITY**



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## ANNUAL GENERAL MEETING

**Date : Saturday, September 21, 2019 | Time : 04:30 p.m.**

**Venue :** MIRAGE HOTEL, INTERNATIONAL AIRPORT  
APPROACH ROAD, ANDHERI-KURLA ROAD, MAROL,  
ANDHERI (EAST), MUMBAI - 400 059

### FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable Stake Holders to comprehend our prospects and take Relative decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## E-VOTING SCHEDULE

| CUT OFF DATE                    | START DATE                                 | END DATE                                  |
|---------------------------------|--|---|
| Saturday,<br>September 14, 2019 | Tuesday, September<br>17, 2019 (9:00 a.m.) | Friday, September<br>20, 2019 (5:00 p.m.) |



## CORPORATE **OVERVIEW**



## Corporate Information

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

- Sanjeev Aggarwal - Chairman & Managing Director (DIN: 00064076)
- Rishav Aggarwal - Whole-time Director (DIN: 05155607)

#### NON EXECUTIVE DIRECTORS

- Sunil Goyal - Non-Independent Director (DIN: 00503570)
- H.S. Upendra Kamath - Independent Director (DIN: 02648119)
- Praveen Kumar Tripathi - Independent Director (DIN: 03154381)
- Urvashi Dharadhar - Additional Director (Independent) (DIN: 08279196)

#### LISTING

BSE Limited

#### REGISTERED OFFICE

Kisan Mouldings Limited  
26 'A', 3<sup>rd</sup> Floor, K-wing, "Tex Centre", Chandivali, Off Saki Vihar Road, Andheri (East), Mumbai - 400 072.  
India. Tel: 42009100/9200,  
Email ID: [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com)  
Website: [www.kisangroup.com](http://www.kisangroup.com)

#### CORPORATE IDENTIFICATION NUMBER:

L17120MH1989PLC054305

#### REGISTRAR AND SHARE TRANSFER AGENT

Sharex Dynamics (India) Private Limited  
C-101, 247 Park, LBS Marg,  
Vikhroli West, Mumbai - 400083  
Tel.No.: 022 - 2851 5606/644 Fax No. : 022-2851 2885  
Email : [support@sharexindia.com](mailto:support@sharexindia.com)

#### KEY MANAGERIAL PERSONNEL

- Mr. Amit Sudhakar - Chief Financial officer
- Mr. Dharak A. Mehta - Company Secretary & Compliance Officer

#### STATUTORY AUDITORS

M/s. ADV & Associates,  
Chartered Accountants

#### SECRETARIAL AUDITOR

M/s. AVS & Associates,  
Company Secretaries

#### INTERNAL AUDITOR

M/s. CAS & Co.,  
Chartered Accountants  
(Formerly known as K M Tulsian & Associates)

#### COST AUDITOR

M/s. Bhanwarlal Gurjar & Co.,  
Cost Accountants

#### BANKERS

- Punjab National Bank
- Union Bank of India
- The Shamrao Vithal Co-op Bank Ltd.
- IDBI Bank Ltd
- ICICI Bank Ltd

#### PLANT LOCATIONS

- Survey no. 64/1, 63/1, 70, 71, 72, 74/1/1 Village - Mahagaon, Taluka-Palghar, Boisar, Dist, **Thane (Maharashtra).**
- Survey No. 34/1/1, Village - Umerkui, **Silvassa - D. & N.H. (U. T.).**
- Plot No. 5-A/5 Industrial Area No. 2, **Dewas, Madhya Pradesh - 455001.**
- Plot No.172-B and 173-A Village Nogenhalli, Kora Hubli, **Tumkur Taluka, Karnataka.**
- Survey No. 108/1/6, Surangi Road, Near Khadoli Sub Station, **Silvassa**

## Performance Highlights

### Revenue from Operations

(₹ In Lakhs)

**49,030**

|          |        |
|----------|--------|
| 2016-17* | 48,506 |
| 2017-18* | 48,217 |
| 2018-19* | 49,030 |

### Operating EBIDTA

(₹ In Lakhs)

**3,078**

|          |       |
|----------|-------|
| 2016-17* | 3,983 |
| 2017-18* | 4,635 |
| 2018-19* | 3,078 |

### Profit After Taxes

(₹ In Lakhs)

**-972**

|          |      |
|----------|------|
| 2016-17* | -97  |
| 2017-18* | 12   |
| 2018-19* | -972 |

### Debt to Equity

(x)

**1.51**

|          |      |
|----------|------|
| 2016-17* | 3.0  |
| 2017-18* | 1.58 |
| 2018-19* | 1.51 |

### Total Debt

(₹ In Lakhs)

**20,683**

|          |        |
|----------|--------|
| 2016-17* | 23,075 |
| 2017-18* | 21,633 |
| 2018-19* | 20,683 |

(\* Figures as per IndAS)





## Product Segments

Kisan Mouldings Limited (KML) has built a plethora of products in the plastic piping and irrigation industry and is positioned to gain traction in the market there by bringing in with it stronger sales, higher growth, improved customer services and higher profitability. The products address the needs of various customers spanning from architects, builder, farmers and individuals.

The refresh in the existing product line and the introduction of new products are uniquely placed to cater to different target markets. This gives KML the confidence to be aggressive in re-gaining market share. We are confident of the fact with the investments made in technical know-how and the product line will reap rich dividends over the coming years.

Our Product basket consists of the following:



- 1. KML CLASSIC CPVC Plumbing System:** The **Chlorinated Polyvinyl Chloride** pipe is manufactured at the plant which is located in Tumkur, Karnataka. The usage of these products is mainly Residential, Commercial Buildings, Hotels, Educational Institutions, and Swimming Pools whose application is used to distribute water of both hot and cold temperatures. The products are manufactured using high quality resin and technology from Japan. The pipes are free from corrosion and work well in conditions where the soil or atmospheric conditions are at an extreme. The CPVC pipes are usually known to have longer life expectancy (50 years) in comparison to the galvanized iron pipes.
- 2. FREE flow UPVC plumbing pipes (ASTM):** The Unplasticized Polyvinyl Chloride (UPVC) pipes are manufactured in the state-of-the-art plants based in Tarapur location. These pipes are used in multifarious application like any other CPVC product. The pipes are mainly installed for transporting drinking water without causing any changes to the water properties. The pipes manufactured by KML are chemical and corrosion resistant and are durable and stronger. The pipes are easy to install, low in maintenance and high life expectancy making it a cost effective solution for the user.

- 3. Soil, Waste & Rain water system (S.W.R):** These pipes find their usage in drainage & sewerage applications, and are more superior and durable than the conventional drainage systems.

These pipes are available in the range of Permafit and Classic with diameters ranging from 40mm to 200mm. These pipes are light in weight and cost effective. The pipes of such kind do not require maintenance or inspection which is why its performance is always unblemished. The SWR pipes are also less prone to damage during transit and the pipes are corrosion and rodent resistant.

- 4. Irrigation systems:** Irrigation is an important aspect of farming and agriculture in India. It means supplying water to regions/ areas which are dry and mainly will be used for cultivation. India being an agrarian economy, irrigation continues to be the backbone. In order to facilitate irrigation KML manufactures products which are mainly drip and sprinkle irrigation. The irrigation products enable to save water consumption by 50-70%. It has also shown significant increase in the yield of the crop.
- 5. Solvents:** The solvent cements are used mainly for joining the pipes and fitting. These solvents vary for the different kind of pipes i.e. UPVC, CPVC, HDPE and are available in plastic pet bottles, cans, carboys and barrels.
- 6. Furniture:** KML has extended its know-how in plastics by manufacturing premium moulded plastic furniture for homes and offices. The furniture range consists of chairs, dining and centre tables. These are manufactured using high quality material i.e. virgin polypropylene.



# STATUTORY REPORTS



## Directors' Report

To,

Dear Members,

The Board of Directors ('Board') have great pleasure in presenting the Company's **Thirtieth (30<sup>th</sup>) Annual Report** on the business and operations of the Company together with the Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2019.

### 1. FINANCIAL SUMMARY/ HIGHLIGHTS:

The Company's financial performance, for the Financial Year ended March 31, 2019 is summarised below:

| Particulars                               | Standalone       |                  | Consolidated     |                  |
|---|------------------|------------------|------------------|------------------|
|   | 2018-19          | 2017-18          | 2018-19          | 2017-18          |
| Revenue from operations                   | 49,030.00        | 47,360.00        | 53,368.20        | 55,929.55        |
| Add:- Other Income                        | 123.64           | 534.08           | 123.64           | 534.08           |
| <b>Total Income</b>                       | <b>49,153.64</b> | <b>47,894.08</b> | <b>53,491.84</b> | <b>56,463.63</b> |
| <b>Total Expenses</b>                     | <b>50,728.54</b> | <b>48,259.41</b> | <b>55,061.89</b> | <b>56,783.91</b> |
| <b>Profit/ (loss) before tax (PBT)</b>    | <b>(1574.90)</b> | <b>(365.33)</b>  | <b>(1570.04)</b> | <b>(320.28)</b>  |
| Less:- Tax expense                        | (603.03)         | (376.91)         | (601.56)         | (363.00)         |
| <b>Profit/ (loss) for the year (PAT)</b>  | <b>(971.87)</b>  | <b>11.58</b>     | <b>(968.48)</b>  | <b>42.70</b>     |
| Others Comprehensive Income/ (Loss)       | 10.53            | 4.58             | 10.53            | 4.58             |
| <b>Total Comprehensive Income/ (Loss)</b> | <b>(961.34)</b>  | <b>16.16</b>     | <b>(957.95)</b>  | <b>47.28</b>     |

(₹ in Lakhs)

Note: The above revenue from operation is net of excise duty and goods and service tax collected on behalf of government.

### 2. INDIAN ACCOUNTING STANDARDS:

Pursuant to notification issued by Ministry of Corporate Affairs dated February 16, 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted Indian Accounting Standards (Ind-AS) with effect from April 1, 2017.

### 3. FINANCIAL PERFORMANCE:

On a consolidated basis, the total revenue for Financial Year 2018-19 at ₹ 53,491.84 lakhs was lower by 5.26% over the previous year ₹ 56,463.63 lakhs in Financial Year 2017-18. Total earning after tax for Financial Year 2018-19 is in loss of ₹ 968.48 lakhs against the profit of previous year of ₹ 42.70 lakhs in Financial Year 2017-18.

On standalone basis, the total revenue of the Company increased to ₹ 49,153.64 lakhs for Financial Year 2018-19 against ₹ 47,894.08 lakhs in previous Financial Year 2017-18. Your Company reported total loss after tax was ₹ 971.87 lakhs for Financial Year 2018-19 against the profit of ₹ 11.58 lakhs in Financial Year 2017-18.

In order to increase further sales in the near future, the Company is planning to adopt various strategies and programmes which will boost the demand for the Company's products. The Company is of the view to focus on magnifying innovations in the market place through brilliant execution and on building markets of the future or what we call as 'market development' and thereby enhancing stakeholders value.

### 4. TRANSFER TO RESERVE:

During the year under review, the Company has not transferred any amount to the Reserve.

## 5. DIVIDEND:

During the year under review, your directors have not recommended any dividend.

## 6. SHARE CAPITAL:

Issued, subscribed and paid up equity share capital of the Company ₹ 33,86,30,650/- divided in to 3,38,63,065 Equity shares of face value of ₹ 10/- each.

During the year under review, the Company has neither issued any shares with differential voting rights nor granted any stock options or sweat equity and does not have any scheme to fund its employees to purchase the shares of the Company.

## 7. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms as an integral part of this Report.

## 8. DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

## 9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT AND CHANGE IN NATURE OF BUSINESS OF THE COMPANY:

The Board of Directors of the Company at its meeting held on July 01, 2019 approved consolidation of operations into the parent plant of the Company situated at Mahagaon, Maharashtra to achieve operational efficiencies and consequently Board of Directors also approved selling of certain business assets which also includes non-core and surplus assets of the Company situated at Tumkur, Mahagaon and Indore. The proceeds of such sale will be fully utilised to repay the Term Loan debt attached to this property. This transaction will result in saving in interest costs of ₹ 260 Lakhs and operational costs of ₹ 420 Lakhs approximately on an annualised basis.

## 10. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS:

Pursuant to provisions of Section 143 (12) of the Companies Act, 2013 there were no frauds reported by the Auditors of the Company during

the year under review, to the Audit Committee or the Board of Directors, as such there is nothing to report under Section 134 (3) (ca) of the Companies Act, 2013.

## 11. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors make the following statements to the best of their knowledge and ability:

- That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation and that no material departures have been made from the same;
- That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied 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 March 31, 2019 and of the profit and loss of the Company for the year ended on that date;
- That 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 fraud and other irregularities;
- That the annual financial statements have been prepared on a going concern basis;
- That the directors had laid down proper internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 12. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and that of Articles of Association of the Company, Mr. Rishav Aggarwal (DIN: 05155607), Whole-time Director of the Company, being longest in the office, shall retire by rotation at ensuing 30<sup>th</sup> Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.

Appointments and cessations of Directors & Key Managerial Personnels are as under:

#### Appointments:

- Mrs. Urvashi Dharadhar (DIN:08279196) was appointed by the Board of Directors of the Company at its meeting held on November 14, 2018 as an Additional Director (Non-Executive- Independent Director) with effect from November 14, 2018 to hold office upto the date of ensuing Annual General Meeting of the Company. The Company has received a notice in writing from a member of the Company under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Independent Director of the Company for a term of 5 (Five) years w.e.f. November 14, 2018.
- The tenure of Mr. Sanjeev Aggarwal (DIN:00064076), Chairman & Managing Director of the Company, expired on March 31, 2019. The Board of Directors at its meeting held on February 14, 2019, on recommendation of Nomination and Remuneration Committee has approved the re-appointment of Mr. Sanjeev Aggarwal for further period of 3 years with effect from April 01, 2019 and the Board further recommended the same to the Shareholders for their approval in ensuing 30<sup>th</sup> Annual General Meeting of the Company. His re-appointment and remuneration is in terms of the Section 196, 197, 198, 200 and 203 read with Schedule V of the Companies Act, 2013. The detailed terms and conditions including remuneration have been mentioned in the notice convening 30<sup>th</sup> Annual General Meeting of the Company.
- Mr. Dharak A. Mehta was appointed as the Company Secretary & Compliance Officer of the Company with effect from August 10, 2018. Being Company Secretary of the Company he has also been designated as Key Managerial Personnel of the Company under Section 203 of the Companies Act, 2013 and Nodal Officer of the Company pursuant to Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016.

#### Cessation:

- Mrs. Snehal Pawar, Company Secretary & Compliance Officer of the Company has been resigned from the service of the Company with effect from April 18, 2018. Consequently she has also been ceased to act as the Key Managerial Personnel of the Company.

- Mrs. Anjana Motwani (DIN: 02650184) ceased to be Independent Director with effect from August 10, 2018.
- Mr. Amit Sudhakar, Chief Financial Officer of the Company has been resigned from the service of the Company with effect from May 20, 2019. Consequently he has also been ceased to act as the Key Managerial Personnel of the Company.

Pursuant to requirements of the Section 203 of the Companies Act, 2013 the Board of Directors noted that Mr. Sanjeev Aggarwal (DIN: 00064076), Chairman & Managing Director, Mr. Rishav Aggarwal (DIN: 05155607), Whole-time Director and Mr. Dharak A. Mehta, Company Secretary & Compliance Officer of the Company are the Key Managerial Personnel of the Company as on the date of this report.

Brief profile of the Directors proposed to be appointed/ re-appointed as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – II on General meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), are provided in the Notice of 30<sup>th</sup> AGM of the Company.

#### 13. DECLARATION BY INDEPENDENT DIRECTORS:

All Independent Directors of the Company have submitted a declaration and confirmed that they meet the criteria of independence as mentioned under the provisions of sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 14. NOMINATION AND REMUNERATION POLICY:

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and on the recommendation of the Nomination & Remuneration Committee, the Board has adopted the Nomination & Remuneration Policy for selection and appointment of Directors, Senior Management including Key Managerial Personnel (KMP) and their remuneration. The details of Remuneration Policy are stated in the Corporate Governance Report. The details of this policy have been posted on the website of the Company viz. <http://www.kisangroup.com/investorrelations/code-policies.php>.

#### 15. BOARD EVALUATION:

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual evaluation



of its own performance, Board Committees and Individual Directors and Chairperson. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, etc., which is in compliance with applicable laws, regulations and guidelines. The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on the report of evaluation received from respective Board Committees.

The performance evaluation of the Independent Directors was also carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors at their respective meeting held on February 14, 2019.

The Board of Directors expressed their satisfaction with the evaluation process.

#### **16. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:**

Pursuant to provision of Section 178(3) of the Companies Act, 2013, the policy for appointment and selection of director and their remuneration including criteria for determining qualification, positive attributes, independence of director and other matters are adopted by the Board of Directors of the Company.

#### **17. NUMBER OF MEETINGS OF THE BOARD:**

Four (4) meetings of the Board were held during the Financial Year 2018-19. For details of the meetings of the Board and attendance of directors, kindly refer to the Corporate Governance Report, which is part of this report.

#### **18. NUMBER OF MEETINGS OF THE AUDIT COMMITTEE:**

Four (4) meetings of the Audit Committee were held during the Financial Year 2018-19. For details of the meetings and members of the Audit Committee, kindly refer to the Corporate Governance Report, which forms part of this report. All recommendations of the Audit Committee have been accepted by the Board.

#### **19. AUDITORS:**

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

M/s. ADV & Associates, Chartered Accountants, Mumbai (Firm Registration No.

128045W) were appointed as the Statutory Auditors in 27<sup>th</sup> Annual General Meeting ('AGM') to hold office from the conclusion of 27<sup>th</sup> AGM for a term of consecutive five years till conclusion of 32<sup>nd</sup> AGM (subject to ratification of the appointment by the members at every AGM).

MCA vide circular dated May 7, 2018 omitted the requirement of ratification of term of Statutory Auditor every year. However, the Auditors have confirmed their eligibility, limits as prescribed in the Companies Act, 2013 and that they are not disqualified for such appointment.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and there is no audit qualification, reservation or adverse remark for the year under review.

##### **b) Cost Auditors:**

In terms of Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to appoint Cost Auditor for the audit of cost records of the Company.

A Certificate from M/s. Bhanwarlal Gurjar & Co., Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

The Board, on recommendation of Audit Committee has approved the appointment and remuneration of M/s. Bhanwarlal Gurjar & Co., Cost Accountants (FRN: 101540) as the Cost Auditor to audit of cost accounting records of the Company for the financial year 2019-20, at their meeting held on May 21, 2019.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders; the Board recommends the same for approval of shareholders at the ensuing AGM.

During the financial year 2018-19, the Cost Auditor had not reported any matter u/s 143(12) of the Act, therefore no detail is required to be disclosed u/s 134(3) (ca) of the Act.

**c) Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, on recommendation of Audit Committee, the Board of Directors at their meeting held on May 21, 2019 had appointed M/s. AVS & Associates, Company Secretaries in practice, Navi Mumbai to conduct Secretarial Audit for the financial year 2019-20.

The report on secretarial audit for the Financial Year 2018-19, issued by M/s. AVS & Associates, Company Secretaries in Form MR-3 forms integral part of this report as **“Annexure- D”**

The observations given by Secretarial Auditor in their report for the financial year ended March 31, 2019 are self explanatory except the following:

| Sr. No. | Observations  | Reply to the observations  |
|---------|---|--|
| 1.      | As on March 31, 2019 minor Shareholding i.e. (0.06%) of one member of promoter group was not in Dematerialized Form pursuant to Regulation 31 of the SEBI (LODR) Regulations, 2015. | With reference to the observations made by the Secretarial Auditors in their Report, the Company wishes to state that the said member of the promoter group of the Company was under process of dematerializing her total shareholding in the Company. However as on date of the report, hundred percent (100%) of shareholding of promoter(s) and promoter group is in dematerialized form. |

**d) Internal Auditors:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and rules made thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), the Board of Directors of the Company, on recommendation of Audit Committee, at their meeting held on May 21, 2019 have appointed M/s. CAS & Co., Chartered Accountants as Internal Auditors of the Company for the Financial Year 2019-20, to conduct Internal Audit of the Company.

procedures & policies at all the locations of the Company. Based on their report of Internal Audit function, corrective actions in the respective area are undertaken & controls are strengthened. Significant audit observations and recommendations along with corrective action suggested thereon are presented to the Audit Committee of the Board. The Company is periodically following all the applicable Indian Accounting Standards for properly maintaining the books of account and reporting Financial Statements.

**20. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has in place Internal Financial Control system, commensurate with size, scale and complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls, statutory compliances and other regulatory compliances. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

M/s. CAS & Co. (earlier known as K.M Tulsian & Associates), Internal Auditors' comprising of professional Chartered Accountants monitor & evaluate the efficacy of Internal Financial Control System in the Company, its compliance with operating system, accounting

**21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:**

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2019, are set out in Notes to the Standalone Financial Statements of the Company provided in this Annual Report.

**22. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The Company has established and adopted Vigil Mechanism and the policy (Whistle Blower Policy) thereof for directors and employees of the Company in accordance with the provisions of Companies Act, 2013 as well as Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, no personnel of the Company approached the Audit Committee on

any issue falling under the said policy. The vigil mechanism policy is available on the website of the Company viz. <http://www.kisangroup.com/investorrelations/code-policies.php>

### **23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All transactions entered into by the Company with related parties were in the ordinary course of the business and at arm's length basis and are in accordance with the provisions of the Companies Act, 2013, Rules made thereunder & Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has obtained approval of the Audit Committee for entering into transactions with related parties. A statement of all Related Party Transactions are placed before the Audit Committee and as also before the Board approval, for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

During the year under review, the Company has not entered into any contracts/ arrangements/ transactions with related parties which qualify as material in accordance with the Policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. The details of the related party transactions as per Indian Accounting Standards (Ind AS) are set out in Note No. 40 of the Standalone Financial Statements of the Company and the policy on related party transaction, as formulated by the Board is available on the Company's website at <http://www.kisangroup.com/investorrelations/code-policies.php>

### **24. EXTRACT OF ANNUAL RETURN:**

As provided under Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the details forming part of the extract of Annual Return prescribed in the Form MGT-9 is given in "Annexure - E" and forms an integral part of this report. The same also available on the website of the Company at <http://www.kisangroup.com/pdf/Investor%20Relations/general-meeting/2018-19/Annual%20Report.pdf>

### **25. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

Pursuant to the provision of the Companies Act, 2013 and rules made thereunder, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF Authority

as established by the Government of India, after completion of seven years. Accordingly, the Company has transferred the unclaimed and unpaid dividend of ₹ 1,80,791/- for the Financial Year 2010-11 to the IEPF Authority.

Further, Pursuant to the provision of Section 124 of the Companies Act, 2013 read with the Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time (IEPF Rules), shares of the Company in respect of which dividend entitlements have remained unclaimed and unpaid for seven consecutive years or more, are required to be transferred by the Company to the demat account of the IEPF Authority within period of 30 days of such shares becoming due to be so transferred. Communication was sent by the Company to the concerned Members who had not claimed their dividend for seven consecutive years or more providing them an opportunity to claim such dividend. Accordingly, the Company has transferred the 20,738 Equity shares on November 28, 2018 to the IEPF Authority for the Financial Year 2010-11.

### **26. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information related to conservation of energy, technology absorption, Foreign Exchange Earnings and Outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure-F" to this Report.

### **27. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

As per provisions of the Companies Act, 2013 and as part of good Corporate Governance the Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan and policy for the Company. The main objective is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

The Audit Committee and the Board of Directors periodically review the various risk associates with business of the Company. Such review includes risk identification, evaluation and mitigation of the risk.

**28. SUBSIDIARIES:**

KML Tradelinks Private Limited is a Wholly Owned Subsidiary of your Company. During the year, the Board of Directors ('the Board') reviewed the affairs of the Subsidiary. In accordance with Section 129(3) of the Act, the Company has prepared consolidated financial statements of the Company and its Subsidiary, which form part of the Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associates Companies/ Joint Ventures is given in 'Form AOC-I' and forms an integral part of this report as **"Annexure- A"**.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary, are available on website of the Company at <http://www.kisangroup.com/investorrelations/financialresults.php>

**29. MATERIAL SUBSIDIARY:**

The Board of Directors of the Company had adopted a Policy for determining material subsidiary in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is posted on the Company's website at: <http://www.kisangroup.com/investorrelations/code-policies.php>

Presently, there is no material subsidiary company of the Company for the Financial Year 2018-19 pursuant to provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**30. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

As the Provisions of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the Company and thus the Company has not developed or implemented any Corporate Social Responsibility initiatives as on date.

**31. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

Management's Discussion and Analysis Report on the operations of the Company for the year under review is provided in a separate section and forms an integral part of this report as **"Annexure-C"**.

**32. PARTICULARS OF REMUNERATION TO DIRECTORS AND EMPLOYEES:**

Pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars of remuneration to the Directors and employees of the Company and the details of the ratio of remuneration of each director to the median employee's remuneration is annexed herewith as **"Annexure- B"** to this Report.

**33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which would impact the Company's existence, going concern status and future operations of the Company.

**34. CORPORATE GOVERNANCE REPORT:**

Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditors confirming compliance of conditions of Corporate Governance forms an integral part of this report.

**35. COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has devised proper system to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

**36. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

The Company strongly believes in Zero tolerance towards sexual harassment at the workplace and is committed to provide a healthy environment to each and every employee of the Company. Your Company has framed and adopted a policy in line with provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. All employees (permanent, contractual, temporary, trainees) are cover under the said policy.

The Company has also constituted an Internal Complaints Committee (ICC) in all the development centres of the Company across



India to consider and resolve all sexual harassment complaints reported by women. The constitution of the ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the committee also includes external members with relevant experience. Half of the total members of the ICC are women.

There were no complaints received and pending during the F.Y 2018-19.

### 37. ACKNOWLEDGEMENT:

The directors take this opportunity to express its gratitude and record its sincere appreciation towards its clients, vendors, investors, Financial Institutions, Bankers, Business Associates and the Government and other regulatory authorities for their continued support, cooperation and professionalism during the year. The Directors of the Company thank all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company and look forward to their continued support in the future. The Directors would like to place on record their gratitude to all the employees who have continued their support during the year. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board of Directors  
Kisan Mouldings Limited

**Sd/-**

**Sanjeev A. Aggarwal**  
Chairman & Managing Director  
(DIN: 00064076)

Date: August 14, 2019  
Place: Mumbai

**ANNEXURE-A**

# Form AOC-1

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

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

**Part A Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹)

| Name of the subsidiary  | KML Tradelinks Private Limited |
|---|--------------------------------|
| The date since when subsidiary was acquired   | February 09, 2017              |
| Reporting period  | 31st March, 2019               |
| Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR                            |
| Share Capital   | ₹ 1,00,000/-                   |
| Reserves and Surplus  | ₹ 45,29,290/-                  |
| Total Assets  | ₹ 2,67,97,981/-                |
| Total Liabilities   | ₹ 2,67,97,981/-                |
| Investments   | -                              |
| Turnover  | ₹ 45,14,51,052/-               |
| Profit before taxation  | ₹ 4,84,576/-                   |
| Provision for taxation  | ₹ 1,46,500/-                   |
| Profit after taxation   | ₹ 3,38,076/-                   |
| Proposed Dividend   | Not Applicable                 |
| Extent of shareholding (in percentage)  | 100%                           |

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

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil

## Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: **Not Applicable**

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of the Board

**Sd/-**

**Sanjeev A. Aggarwal**  
Chairman & Managing Director  
(DIN: 00064076)

**Sd/-**

**Rishav S Aggarwal**  
Whole-time Director  
(DIN: 05155607)

**Sd/-**

**Dharak A. Mehta**  
Company Secretary

**Sd/-**

**Prakash Mandhaniya**  
ADV & Associates,  
Chartered Accountants  
Statutory Auditors

Date: May 21, 2019  
Place: Mumbai

**ANNEXURE-B**

## Remuneration details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- I. Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Sr. No. | Requirement under Rule 5(1)  | Details   |
|---------|--|---|
| 1.      | Ratio of the remuneration of Managing Director & Executive Director to the median remuneration of the employees of the Company for the Financial Year  | MD :- 1 : 0.02                                  |
| 2.      | Percentage increase in remuneration of Managing Director, each Executive Director, Chief Financial Officer, & Company Secretary (Salary of 2018-19 v/s Salary of 2017-18).   | MD : -<br>ED : -<br>CFO : 77.96%<br>CS : 19.87% |
| 3.      | Percentage increase in the median remuneration of employees in the financial year (2018-19 v/s 2017-18)  | 5-7%  |
| 4.      | Number of permanent employees as on 31st March, 2019 on rolls of Company.  | 841   |
| 5.      | *Average percentile increase made in the salaries of employees other than the managerial personnel in last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: | 8-10%   |
| 6.      | Affirmation that the remuneration is as per the remuneration policy of the Company.  | Yes   |

Note:- Managing Director & Executive Directors are Whole-time Directors & other Directors are Non-Executive Directors, who are paid only sitting fees for attending the meetings of Board & Committees thereof. Hence ratios provided are only for Managing Director & Whole-time Directors.

- II. Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- No employees who were employed throughout the financial year, and were in receipt of remuneration for not less than ₹ 1.02 Crore p.a.
- No employees who were employed for a part of the financial year and were in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than ₹ 8.50 lakhs per month.
- No other employees who were employed throughout the financial year or part thereof and were 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.

For and on behalf of the Board of Directors  
Kisan Mouldings Limited

Sd/-

**Sanjeev A. Aggarwal**  
Chairman & Managing Director  
(DIN: 00064076)

Date: August 14, 2019  
Place: Mumbai



## ANNEXURE- C

# Management Discussion & Analysis

## ECONOMIC OVERVIEW

As per the International Monetary Fund, the CY 2018 witnessed the growth of the global economy by 3.6 % which was lower than the original expectation global growth of 3.9%. The decline in growth rate in the CY 2018 was due to multiple hindrances in global economy as political uncertainties like Brexit and fears of trade wars among major economies, especially between the US and China, decline in business confidence and tightening of financial conditions weighed on the growth momentum significantly. Going forward, the world GDP is expected to slowdown in the CY 2019 briefly at 3.3% before returning to an improved 3.6% in the CY 2020.

Back at home in India, Indian economy remained the fastest growing major economy in the world in CY 2018. In FY 2018-19, the estimated Gross Domestic Product growth rate was 6.8%. With continuing policy initiatives, India moved to the 77th rank from 100th, in terms of ease of doing business. Structural reforms such as the Goods and Services Tax (GST), IBC laws and RERA Act have paved the way for a more formalised and organised economy. These factors, combined with a rebound in credit growth, spurred investment during the fiscal.

The International Monetary Fund, predicts GDP growth of 7.3% for 2019 and 7.5% for 2020. In fact India is expected to be fastest growing major economy in the world. The green shoots of recovery in investments witnessed in the infrastructure sector and expectations of a normal monsoon augur well for the economy in the near term. On the flip side, the key risks that need to be managed are increasing crude oil prices and rupee depreciation.

(Source: IMF-World Economic outlook – April 2019 (Analytical Group))

## COMPANY OVERVIEW

Over the last three decades, your company has emerged as one of India's leading manufacturers of Plastic piping Company including Chlorinated Poly Vinyl Chloride (CPVC) and Poly Vinyl Chloride (PVC) Pipes and also leading in irrigation system

and plumbing systems for residential and industrial consumption and processes of 40,000 MT of polymer every year. It provides 'One-stop' piping solutions with its wide range of PVC and CPVC pipes, fittings and solvents.

During the year under review your Company has its pipe manufacturing facilities in India at Tarapur in the state of Maharashtra, Tumkur in the state of Karnataka, Dewas in the state of Madhya Pradesh, Umerkui and Khadoli at Dadra and Nagar Haveli for manufacturing of Pipes, Fittings and Solvents manufacturing of plumbing systems, drainage systems, irrigation systems.

## STRENGTHS

The management has taken several corrective steps, as below, to stage a turnaround in business performance.

- Focus on high margin products: We have increased number of SKU's in the fittings segments and are now offering wider variety of solvents. These are high margin products and help to improve overall margin profile.
- Sold non-core assets: Your company realized till date ₹ 1315.53 Lakhs by selling non-core assets
- Investments: Investments have been made to automate the Tarapur PVC plant and Roto Moulded tank plant. These investments will help to improve productivity, quality and reduce dependence on labour. We are confident that these investments will continue to give benefits over a long period of time.
- Reduction of Debt: During Financial Year 2018-19, the debt has been reduced by ₹ 17.70 Crore.
- Piping Brand: Since past few years the Company has successfully achieved object of recognising **KisaN and KML Classic as most popular brand plumbing systems and irrigation systems in various location of India.**
- Distribution channel: The Company has strategically located its warehouses and manufacturing facilities with extensive

distribution channel. The Company has also been participating in several exhibitions and large meets of plumbers, dealers in order to strengthen and widen its distribution network. Company is also trying to expand its reach through opening Depot in order to reach its prospective buyers.

## OPPORTUNITIES AND THREATS

In FY 2018-19, on a consolidated basis, the pipes and fittings segment contributed the revenue from operations of ₹ 53,368.20 Lakhs. Your company's new and renewed focus makes it well poised to seize opportunities arising in the sectors where we operate.

### Construction piping:

India is in the midst of a major construction drive that is mainly supported by the Government of India. Multiple schemes and projects launched in last couple of years are leading to higher demand for pipes.

- **Jal Jeevan Mission:** This is the recently introduced scheme in the Union Budget 2019, object of which, is to look at the management of water resources and water supply in an integrated and holistic manner, and will ensure "Har Ghar Jal" (piped water supply) to all rural households by 2024 under the Jal Jeevan Mission.
- **Housing for all by 2022:** Pradhan Mantri Awas Yojna-Urban (PMAY-Urban) is an GoI initiative in which affordable housing will be provided to the urban poor people with a target of building 2 crore affordable houses by 31 March 2022. Total 1.54 crore houses under Pradhan Mantri Awas Yojana - Gramin (PMAY-G) scheme are constructed in the last 5 years. Government of India (GoI) aims to provide in the second phase of PMAY-Gramin 1.95 crore houses to the eligible beneficiaries till the end of Financial Year 2021-22. New technologies are being implemented and explored to ensure faster completion of construction of these houses. Over 13 lakh houses have so far been constructed using these new technologies.
- **Smart Cities Mission:** In the approach of the Smart Cities Mission, the objective is to promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions. It is an urban renewal and retrofitting program by the GoI with the mission to develop 100 cities across the country making them citizen friendly and sustainable. A total investment of ₹ 48,000 crore till 2022 has been

approved by the Indian Cabinet for the same. GoI has also focused on some of the following smart solutions to achieve development of smart cities mission which includes Water Management, Waste Management, E-Governance and Citizen Services, Urban Mobility, Energy Management etc. The strategic components of area-based development in the Smart Cities Mission are city improvement (Retrofitting), city renewal (Redevelopment) and city extension (Greenfield development) plus a PAN-city initiative in which Smart Solutions are applied covering larger parts of the city. Major Sub-components of this solution are leakage identification, Preventive Maint., Waste to Energy & Fuel, Recycling and Reduction of C & D Waste, Public Information, Grievance Redressal, Smart Parking, Intelligent Traffic Management, Renewable Sources of Energy, Energy Efficient and Green Buildings.

- **AMRUT:** The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) was launched with the focus to establish infrastructure that could ensure adequate robust sewage networks and water supply for urban transformation by implementing urban revival projects. An investment of ₹ 50,000 crore has been approved by the cabinet. Some of the broad targets of AMRUT scheme are ascertaining that everyone has access to tap water and sewerage facilities, greenery like parks and open spaces are well maintained, digital and smart facilities like weather prediction, internet and WiFi facilities, pollution reduction by encouraging the public for using cheaper but secure public transport etc.
- **Swachh Bharat Abhiyan:** This is a largest cleanliness drive undertaken by GoI aims to achieve an Open Defecation free India by 2nd October 2019 by constructing 9 crore toilets in rural India. This noble Scheme, initiated in 2014, has achieved a resounding success. 9.6 crores toilets have been constructed since October 2, 2014 and more than 5.6 lakh villages have become Open Defecation Free (ODF) under the Swachh Bharat Mission. It further expands to undertake sustainable solid waste management in every village.

### Agriculture piping and micro irrigation

Agriculture continues to be an important sector of Indian economy. While it contributes around 16% of the India's GDP, it employs over 50% of country's workforce. Over 50% of the total agricultural land is still dependent on monsoons. This clearly shows the

need and potential to increase irrigation coverage in India. The Government of India has laid down several initiatives, schemes and reforms that would directly and indirectly trigger higher demand for plastic piping as well as micro irrigation products.

- For 2019, for creation of livelihood and infrastructure in rural areas, the total investment and spending outlay would be ₹ 14.34 lakh crore.
- The government has given a clarion call to double farmer's income by 2022. This is to be achieved by helping farmers to produce more from the same land parcel at lesser cost and at the same time fetch higher prices for their produce. More agricultural land is expected to be brought under irrigation resulting in efficient modes of water transportation. Government is hopeful to form 10,000 new Farmer Producer Organizations, to ensure economies of scale for farmers over the next five years.
- Additional institutional credit of ₹ 1 lakh crore for agriculture sector has been proposed and will give boost to investments in the farms.
- ₹ 2,600 crore of outlay has been allocated to Prime Minister Krishi Sinchai Yojna – 'Har Khet ko Pani' - that focuses on ground water irrigation.
- Pradhan Mantri Krishi Sinchayee Yojna (PMKSY): An outlay for the five-year period at ₹ 50,000 crore to increase area under irrigation, flood control, interconnectivity of canals due to which it is expected to augment the demand of PVC pipes.

## OUTLOOK

Favourable macro-economic variables point towards an encouraging outlook for the year 2019-20. Massive initiatives taken by the GoI in the areas of agriculture, construction of houses, water supply and sanitation all support strong demand for plastic piping products and irrigation system. Similarly, reforms such as GST and RERA would result in favourable playing field for organized players. We are geared up to leverage on these opportunities.

The Company's efforts towards improving processes and operational efficiencies through automation are expected to deliver desired benefits. There is focused effort towards increasing revenue contribution from high margin products to aid overall margins of the Company.

## FINANCIAL PERFORMANCE

An overview of the financial performance is given in the Directors Report. The Audit Committee constituted by the Board of Directors periodically reviews the financial performance and reporting systems. Summary of Standalone and Consolidated Profit and Loss for the Financial Year 2018-19 are as follows:

### Summarised Profit and Loss Accounts

(Amount in lakhs)

| Particulars                     | Standalone |            | Consolidated |            |
|---------------------------------|------------|------------|--------------|------------|
|                                 | FY 2018-19 | FY 2017-18 | FY 2018-19   | FY 2017-18 |
| Revenue from Operation          | 49,030.00  | 48,217.35  | 53,368.20    | 56,786.89  |
| Other Income                    | 123.64     | 534.08     | 123.64       | 534.08     |
| Operating cost                  | 46,075.53  | 44,116.07  | 50,408.87    | 52,635.15  |
| EBDIT                           | 3,078.11   | 4,635.36   | 3,082.97     | 4,685.82   |
| Depreciation                    | 1,391.71   | 1,413.55   | 1,391.71     | 1,413.55   |
| EBIT                            | 1,686.40   | 3,221.81   | 1,691.26     | 3,272.27   |
| Finance Cost                    | 3,261.31   | 3,587.13   | 3,261.32     | 3,592.56   |
| EBT                             | -1,574.91  | -365.32    | -1,570.06    | -320.30    |
| Taxation                        | -603.04    | -376.91    | -601.56      | -362.99    |
| Profit/ Loss for the year       | -971.87    | 11.59      | -968.50      | 42.70      |
| Other Comprehensive Income      | 10.53      | 4.58       | 10.53        | 4.58       |
| Total Comprehensive Income/Loss | -961.34    | 16.17      | -957.97      | 47.28      |
| Basic EPS (in ₹)                | -2.87      | 0.04       | -2.86        | 0.14       |

### KEY FINANCIAL RATIO

| Particulars                    | Standalone |            |               | Consolidated |            |               |
|--------------------------------|------------|------------|---------------|--------------|------------|---------------|
|                                | FY 2018-19 | FY 2017-18 | YOY           | FY 2018-19   | FY 2017-18 | YOY           |
|                                |            |            | (Change in %) |              |            | (Change in %) |
| Ratios:                        |            |            |               |              |            |               |
| Debtors turnover (in days)     | 108.32     | 115.66     | -6.34%        | 100.06       | 103.45     | -3.27%        |
| Inventory turnover (in days)   | 134.56     | 148.92     | -9.64%        | 123.33       | 125.27     | -1.54%        |
| Interest Coverage Ratio        | 1.93       | 1.11       | 73.69%        | 1.93         | 1.10       | 75.64%        |
| Current Ratio                  | 1.16       | 1.18       | -1.23%        | 1.16         | 1.17       | -0.85%        |
| Debt Equity Ratio              | 1.51       | 1.58       | -4.39%        | 1.51         | 1.58       | -4.39%        |
| Operating Profit Margin (in %) | 6.3%       | 9.6%       | -34.70%       | 5.8%         | 8.3%       | -29.99%       |
| Net Profit Margin (in %)       | -1.98%     | 0.02%      | -8348.77%     | -1.81%       | 0.08%      | -2513.57%     |
| Return on Net worth (in %)     | -5.92%     | 0.07%      | -8978.59%     | -5.88%       | 0.24%      | -2500.17%     |

- Interest coverage ratio has been improved on account of re-payment of debts of the Company, consequent to this total finance cost of the Company reduced for the Financial Year 2018-19.
- Change in Operating Profit Margin ratio and Net Profit Margin ratio on account of reduction in sale of high profit margin products
- Change in Return on Net Worth ratio on account of lower net profit.



## RISKS AND CONCERNS:

The Company is exposed to the financial market risks from changes in rate of interest and inflation. The volatile movements in exchange rates are caused by major geopolitical developments besides mere economic and financial issues. These factors are beyond the control of your company. The Company is utilizing numerous bank facilities and consequently our financial cost is on the higher side. Serious efforts are put to bring it down.

## INTERNAL CONTROL SYSTEM:

The Company has adequate internal control procedure proportionate to the nature of its business and the size of its operations for the smooth conduct of its businesses. Internal auditors comprising of Independent professional firm of Chartered Accountants, M/s. CAS & Co., Chartered Accountants, Mumbai, FRN: 111075W (Formerly known as KM Tulsian & Associates, Chartered Accountants) have been entrusted the job to conduct regular internal audits, the Audit Committee in its periodic Meeting review the adequacy of internal control system and procedures and suggest areas of improvements. Internal audit is conducted at regular intervals and covers the key areas of operations like Price change effect in ERP, Monitoring of cash discount, Delayed payment of power bills, Raw material consumption, Production Records, Scrap generation and inventory maintenance process etc. The recommendations of Internal Auditors and the Audit Committee are placed before the Board for their consideration and followed up effectively for its implementation.

## TRANSPARENCY IN SHARING INFORMATION:

Your Company believes in total transparency in sharing information about its business operations with all its stakeholders. Your Company strives to provide maximum possible information in the Annual Report and also through other means like regularly posting of information on website of the Company, intimation to stock exchange and Publication in Newspaper wherever necessary to keep the stakeholders informed about the business performance.

## HUMAN RESOURCE:

Your Company continues to maintain constructive relationship with its employees and deals with issues related to compensation, hiring, performance management organization development, safety, wellness, benefits, employee motivation, communication, administration, and training; thereby striving hard to provide a positive environment to improve employee efficiency. Your Company's Human Resource Department aims to maximize the productivity by optimizing the effectiveness of its employees. Your Company places great value to its employees through their commitment, competence and effort that is shown in different aspects of the business. Your Company commits to further align its HR Policies in order to meet the growing needs of the business.

## CAUTIONARY STATEMENT:

Some of the statements in this Management Discussion and Analysis Report may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Such statements reflect the Company's current views with respect to the future events and are subject to risk and uncertainties. Important factors that could make a difference to your Company's operations include changes in industry structure, significant changes in political and economic environment in India and overseas, tax laws, litigation and industrial relations. It also includes economic conditions affecting demand / supply, price conditions in the domestic and international markets.

For and on behalf of the Board of Directors  
Kisan Mouldings Limited

Sd/-

**Sanjeev A. Aggarwal**  
Chairman & Managing Director  
(DIN: 00064076)

Date: August 14, 2019  
Place: Mumbai

**ANNEXURE - D**

# Form No. MR-3

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,  
The Members,  
**KISAN MOULDINGS LIMITED**  
Add: Tex Centre, K Wing, 3<sup>rd</sup> Floor, 26-A  
Chandivili Road, Nr. HDFC Bank,  
Andheri (E), Mumbai - 400072

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kisan Mouldings 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 (**'Audit Period'**) 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 the Company for the financial year ended on 31st March, 2019 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the audit period**);
- (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, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the audit period**);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (**Not applicable to the Company during the audit period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the audit period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not applicable to the Company during the audit period**) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**Not applicable to the Company during the audit period**)

- (i) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- The Legal Metrology Act, 2009 read with the Legal Metrology (Packaged Commodities) Rules, 2011
- The Petroleum Act, 1934 read with Petroleum Rules, 2002

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations, 2015').

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as on March 31, 2019 minor Shareholding i.e. (0.06%) of one member of promoter group was not in Dematerialized Form pursuant to Regulation 31 of the SEBI (LODR) Regulations, 2015. However as on date of the report, 100% (hundred percent) of shareholding of promoter(s) and promoter group is in dematerialized form.

## WE FURTHER REPORT THAT:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent

Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda items 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 at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company has taken approval of shareholders in 29<sup>th</sup> Annual General Meeting of the Company held on September 22, 2018 for Re-classification of Surinder Jagannath Aggarwal (HUF), Vandana Surendra Aggarwal, Surinder J. Aggarwal (HUF), Surinder J. Aggarwal and Pooja S. Aggarwal from Promoter Group category to Public category.

**For AVS & Associates**  
Company Secretaries

Sd/-

**Vijay Yadav**  
Partner  
Membership No. A39251  
C.P. No: 16806

Place: Navi Mumbai  
Date: August 02, 2019

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

**ANNEXURE-D - 'ANNEXURE-A'**

To,  
The Members,  
**Kisan Mouldings Limited**  
Add: Tex Centre, K Wing, 3rdFloor, 26-A  
Chandivili Road, Nr. HDFC Bank,  
Andheri (E), Mumbai - 400072

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

1. Maintenance of secretarial and other records under applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For AVS & Associates**  
Company Secretaries

**Sd/-**  
**Vijay Yadav**  
Partner  
Membership No. A39251  
C.P. No: 16806

Place: Navi Mumbai  
Date: August 02, 2019

**ANNEXURE - E**

# FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN as on financial year ended 31.03.2019

[Pursuant to Section 92(3) of the Companies act, 2013 read with [The Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

|  |   |
|--|---|
| CIN:   | L17120MH1989PLC054305   |
| Registration Date:   | 20/11/1989  |
| Name of the Company:   | Kisan Mouldings Limited   |
| Category / Sub-Category of the Company:                                    | Company Limited by Shares   |
| Address of the Registered office and contact details:                      | 26 'A', 3 <sup>rd</sup> Floor, K-Wing, "Tex Centre",<br>Chandivali, Off Saki Vihar Road,<br>Andheri (East), Mumbai - 400 072.   |
| Whether listed company:  | Yes (listed on BSE Ltd)   |
| Name, Address and Contact details of Registrar and Transfer Agent, if any: | M/s. Sharex Dynamic (India) Private Limited<br>C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083<br>Tel No.: +91 22 28515644 / 5606<br>Fax No. : +91 22 8512885, Email ID: support@sharexindia.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ Service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1       | Plastic Products                                 | 222                              | 100%                               |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| Sr. No. | Name and Address of the Company   | CIN/LLPIN             | Holding/Subsidiary/ Associate |
|---------|---|-----------------------|-------------------------------|
|         | <b>KML Tradelinks Pvt. Ltd.</b>   |                       |                               |
| a       | Tex Centre, K Wing, 3rd Floor, 26-A, Chandivali Road, Near HDFC Bank, Saki Vihar Road, Mumbai: 400072 | U51909MH2016PTC281849 | Wholly Owned Subsidiary       |

**IV. SHARE HOLDING PATTERN**
**i) Category-wise Share Holding**

| Category of Shareholders                            | No. of Shares held at the beginning of the year 01/04/2018 |          |          |                   | No. of Shares held at the end of the year 31/03/2019 |          |          |                   | % Change during the year |
|---|--|----------|----------|-------------------|--|----------|----------|-------------------|--------------------------|
|   | Demat  | Physical | Total    | % of Total Shares | Demat  | Physical | Total    | % of Total Shares |                          |
| A. PROMOTER'S                                       |  |          |          |                   |  |          |          |                   |                          |
| (1) INDIAN  |  |          |          |                   |  |          |          |                   |                          |
| (a) Individual                                      | 9224611  | 0        | 9224611  | 27.241            | 9232511  | 19828    | 9252339  | 27.323            | 0.082                    |
| (b) Central Govt                                    | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (c) State Govt(s)                                   | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (d) Bodies Corp                                     | 5575981  | 0        | 5575981  | 16.466            | 5575981  | 0        | 5575981  | 16.466            | 0                        |
| (e) FIIS / BANKS                                    | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (f) Any Other                                       | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| Sub-total (A) (1):-                                 | 14800592   | 0        | 14800592 | 43.707            | 14808492   | 19828    | 14828320 | 43.789            | 0.082                    |
| (2) FOREIGN   |  |          |          |                   |  |          |          |                   |                          |
| (a) Individual NRI / For Ind                        | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (b) Other Individual                                | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (c) Bodies Corporates                               | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (d) Banks / FI                                      | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (e) Qualified Foreign Investor                      | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (f) Any Other Specify                               | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| Sub-total (A) (2):-                                 | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| Total shareholding of Promoter (A) = (A) (1)+(A)(2) | 14800592   | 0        | 14800592 | 43.707            | 14808492   | 19828    | 14828320 | 43.789            | 0.082                    |



| Category of Shareholders  | No. of Shares held at the beginning of the year 01/04/2018 |          |          |                   | No. of Shares held at the end of the year 31/03/2019 |          |          |                   | % Change during the year |
|---|--|----------|----------|-------------------|--|----------|----------|-------------------|--------------------------|
|   | Demat  | Physical | Total    | % of Total Shares | Demat  | Physical | Total    | % of Total Shares |                          |
| B. PUBLIC SHAREHOLDING  |  |          |          |                   |  |          |          |                   |                          |
| (1) Institutions  |  |          |          |                   |  |          |          |                   |                          |
| (a) Mutual Funds  | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (b) Banks / FI  | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (c) Central Govt.   | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (d) State Govt.   | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (e) Venture Capital Funds   | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (f) Insurance Companies   | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (g) FIs   | 49474  | 0        | 49474    | 0.146             | 160000   | 0        | 160000   | 0.472             | 0.326                    |
| (h) Foreign Venture Capital Funds   | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| (i) Others (specify)  |  |          |          |                   |  |          |          |                   | 0                        |
| Alternate Investment Funds  | 597627   | 0        | 597627   | 1.765             | 0  | 0        | 0        | 0                 | -1.765                   |
| Sub-total (B)(1):-  | 647101   | 0        | 647101   | 1.911             | 160000   | 0        | 160000   | 0.472             | -1.439                   |
| 2. Non-Institutions   |  |          |          |                   |  |          |          |                   |                          |
| (a) Bodies Corp.  |  |          |          |                   |  |          |          |                   |                          |
| (i) Indian  | 5022726  | 16000    | 5038726  | 14.880            | 5079260  | 16000    | 5095260  | 15.047            | 0.167                    |
| (ii) Overseas   | 0  | 0        | 0        | 0.000             | 0  | 0        | 0        | 0.000             | 0.000                    |
| (b) Individuals   |  |          |          |                   |  |          |          |                   |                          |
| (i) Individual shareholders holding nominal share capital upto ₹1 lakh          | 3080343  | 213091   | 3293434  | 9.726             | 3602241  | 182091   | 3784332  | 11.175            | 1.450                    |
| (ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh | 8848224  | 31137    | 8879361  | 26.221            | 8344676  | 11309    | 8355985  | 24.676            | -1.546                   |
| (c). Other (specify)  |  |          |          |                   |  |          |          |                   |                          |
| Non Resident Indians  | 669499   | 0        | 669499   | 1.977             | 805607   | 0        | 805607   | 2.379             | 0.402                    |
| Overseas Corporate Bodies   | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| Foreign Nationals   | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| Clearing Members  | 489413   | 0        | 489413   | 1.445             | 772695   | 0        | 772695   | 2.282             | 0.837                    |
| Trusts  | 4806   | 0        | 4806     | 0.014             | 95   | 0        | 95       | 0                 | -0.014                   |
| IEPF  | 40133  | 0        | 40133    | 0.119             | 60771  | 0        | 60771    | 0.179             | 0.061                    |
| Foreign Bodies - D R  | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| Sub-total (B)(2):-  | 18155144   | 260228   | 18415372 | 54.382            | 18665345   | 209400   | 18874745 | 55.738            | 1.357                    |
| Total Public Shareholding (B)=(B)(1)+ (B)(2)                                    | 18802245   | 260228   | 19062473 | 56.293            | 18825345   | 209400   | 19034745 | 56.211            | -0.082                   |
| C. Shares held by Custodian for GDRs & ADRs                                     | 0  | 0        | 0        | 0                 | 0  | 0        | 0        | 0                 | 0                        |
| Grand Total (A+B+C)   | 33602837   | 260228   | 33863065 | 100               | 33633837   | 229228   | 33863065 | 100               | 0                        |

## (ii) Shareholding of Promoters

| Sr No. | Shareholders' Name       | Shareholding at the beginning of the year 01/04/2018 |                                  |  | Shareholding at the end of the year 31/03/2019 |                                  |  | % change in share holding during the year |
|--------|--------------------------|--|----------------------------------|--|--|----------------------------------|--|---|
|        |                          | No. of Shares  | % of total Shares of the company | % of Shares Pledged/encumbered to total shares | No. of Shares                                  | % of total Shares of the company | % of Shares Pledged/encumbered to total shares |   |
| 1      | POLSONS TRADERS LLP      | 3629246  | 10.717                           | 7.419  | 3629246  | 10.717                           | 10.717   | 0   |
| 2      | JAISAL VENTURES LLP      | 1552211  | 4.584                            | 4.584  | 1552211  | 4.584                            | 4.584  | 0   |
| 3      | VIJAY JAGANNATH AGGARWAL | 1517336  | 4.481                            | 3.595  | 1517336  | 4.481                            | 3.595  | 0   |
| 4      | SANJEEV A AGARWAL        | 1305045  | 3.854                            | 2.237  | 1315045  | 3.883                            | 3.792  | 0.029                                     |

|                    |                   |                      |        |
|--------------------|-------------------|----------------------|--------|
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| Sr No. | Shareholders' Name                     | Shareholding at the beginning of the year 01/04/2018 |                                  |  | Shareholding at the end of the year 31/03/2019 |                                  |  | % change in share holding during the year |
|--------|--|--|----------------------------------|--|--|----------------------------------|--|---|
|        |  | No. of Shares  | % of total Shares of the company | % of Shares Pledged/encumbered to total shares | No. of Shares                                  | % of total Shares of the company | % of Shares Pledged/encumbered to total shares |   |
| 5      | RISHAV S AGGARWAL                      | 885953   | 2.616                            | 2.616  | 885953   | 2.616                            | 2.616  | 0   |
| 6      | NISHI SANJEEV AGGARWAL                 | 784260   | 2.316                            | 2.316  | 784260   | 2.316                            | 2.316  | 0   |
| 7      | ASHOK J AGGARWAL                       | 734697   | 2.17                             | 2.163  | 732597   | 2.163                            | 2.163  | -0.007                                    |
| 8      | NEERAV SANJEEV AGGARWAL                | 708184   | 2.091                            | 2.091  | 708184   | 2.091                            | 2.091  | 0   |
| 9      | REKHA S AGGARWAL                       | 694842   | 2.052                            | 1.757  | 694842   | 2.052                            | 1.757  | 0   |
| 10     | GAURAV A AGGARWAL                      | 577974   | 1.707                            | 1.707  | 577974   | 1.707                            | 1.707  | 0   |
| 11     | AMIT V AGGARWAL                        | 549171   | 1.622                            | 1.622  | 549171   | 1.622                            | 1.622  | 0   |
| 12     | RADHIKA AGGARWAL                       | 508400   | 1.501                            | 1.501  | 508400   | 1.501                            | 1.501  | 0   |
| 13     | SPREAD FINTRADE LTD                    | 250524   | 0.740                            | 0.740  | 250524   | 0.740                            | 0.740  | 0   |
| 14     | ASHOK JAGANNATH AGGARWAL HUF           | 176301   | 0.521                            | 0  | 176301   | 0.521                            | 0.521  | 0   |
| 15     | SHWETA S AGGARWAL                      | 156709   | 0.463                            | 0.463  | 156709   | 0.463                            | 0.463  | 0   |
| 16     | BINDIYA R AGGARWAL                     | 149433   | 0.441                            | 0  | 149433   | 0.441                            | 0  | 0   |
| 17     | SHRUTI S AGGARWAL                      | 148449   | 0.438                            | 0.438  | 148449   | 0.438                            | 0.438  | 0   |
| 18     | VEENA V AGGARWAL                       | 116642   | 0.344                            | 0  | 116642   | 0.344                            | 0  | 0   |
| 19     | ZITURA INVESTMENT AND FINANCE PVT LTD  | 93200  | 0.275                            | 0.275  | 93200  | 0.275                            | 0.275  | 0   |
| 20     | AMITA A AGGARWAL                       | 78214  | 0.231                            | 0  | 78214  | 0.231                            | 0  | 0   |
| 21     | VIJAY J AGGARWAL HUF                   | 58873  | 0.174                            | 0.174  | 58873  | 0.174                            | 0.174  | 0   |
| 22     | SHAMA V AGGARWAL                       | 48138  | 0.142                            | 0  | 48138  | 0.142                            | 0  | 0   |
| 23     | CLASSIC CREATION IMPEX PVT LTD         | 40000  | 0.118                            | 0.118  | 40000  | 0.118                            | 0.118  | 0   |
| 24     | SANJEEV A AGGARWAL HUF                 | 17190  | 0.051                            | 0.051  | 17190  | 0.051                            | 0.051  | 0   |
| 25     | POLSONS INVESTMENT AND FINANCE PVT LTD | 10800  | 0.032                            | 0.032  | 10800  | 0.032                            | 0.032  | 0   |
| 26     | SANTOSH R AGGARWAL                     | 7800   | 0.023                            | 0  | 7800   | 0.023                            | 0  | 0   |
| 27     | SATISH T GUPTA HUF                     | 1000   | 0.003                            | 0  | 1000   | 0.003                            | 0  | 0   |
| 28     | POOJA S.AGGARWAL                       | Please Refer Note 1*                                 |                                  |  | 19828  | 0.059                            | 0  | 0   |
| 29     | SURINDER J AGGARWAL                    |  |                                  |  | 0  | 0                                | 0  | 0   |
| 30     | SURINDER JAGANNATH AGGARWAL (HUF)      |  |                                  |  | 0  | 0                                | 0  | 0   |
| 31     | SURINDRA J AGGARWAL (HUF)              |  |                                  |  | 0  | 0                                | 0  | 0   |
| 32     | VANDANA SURENDRA AGGARWAL              |  |                                  |  | 0  | 0                                | 0  | 0   |

\*Note 1: As per the direction of BSE Limited, shareholding of Pooja S Aggarwal, Surinder J Aggarwal, Surinder Jagannath Aggarwal (HUF), Surindra J Aggarwal (HUF) and Vandana Surendra Aggarwal, Public Group Category were added back to Promoter Group Category in shareholding pattern of the Company during the Financial Year 2018-19.

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

| Sr. No. | Shareholders' Name | Shareholding at the beginning of the year 01/04/2018 |                                  | Date       | Increasing / Decreasing in shareholding | Reason | Shareholding at the end of the year 31/03/2019 |                                  |
|---------|--------------------|--|----------------------------------|------------|---|--------|--|----------------------------------|
|         |                    | No. of Shares  | % of total Shares of the Company |            |   |        | No. of Shares                                  | % of total Shares of the Company |
| 1       | SANJEEV A AGGARWAL | 1305045  | 3.854                            | 01-04-2018 |   |        |  |                                  |
|         |                    |  |                                  | 31-08-2018 | 10000                                   | Buy    | 1315045  | 3.883                            |
|         | -Closing Balance   |  |                                  | 31-03-2019 |   |        | 1315045  | 3.883                            |
| 2       | ASHOK J AGGARWAL   | 734697   | 2.170                            | 01-04-2018 |   |        |  |                                  |
|         |                    |  |                                  | 27-04-2018 | -2100                                   | Sold   | 732597   | 2.163                            |
|         | -Closing Balance   |  |                                  | 31-03-2019 |   |        | 732597   | 2.163                            |

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

| Sr. No | Name of Shareholders           | Shareholding at the beginning of the year |                                  | Transactions during the year |                                    |           | Shareholding at the end of the year |                                  |
|--------|--------------------------------|---|----------------------------------|------------------------------|------------------------------------|-----------|-------------------------------------|----------------------------------|
|        |                                | Number of Shares                          | % of total Shares of the company | Date                         | Increase/ Decrease during the year | Reason    | Number of shares                    | % of total shares of the Company |
| 1      | LADDERUP FINANCE LIMITED       | 1400002                                   | 4.134                            | 01-04-2018                   |                                    |           |                                     |                                  |
|        |                                |   |                                  | 20-04-2018                   | -25000                             | Sold      | 1375002                             | 4.06                             |
|        |                                |   |                                  | 27-04-2018                   | -57058                             | Sold      | 1317944                             | 3.892                            |
|        |                                |   |                                  | 04-05-2018                   | -5000                              | Sold      | 1312944                             | 3.877                            |
|        |                                |   |                                  | 06-07-2018                   | -100000                            | Sold      | 1212944                             | 3.582                            |
|        |                                |   |                                  | 12-10-2018                   | -200000                            | Sold      | 1012944                             | 2.991                            |
|        | Closing Balance                |   |                                  | 31-03-2019                   |                                    |           | 1012944                             | 2.991                            |
| 2      | LADDERUP VENTURES LLP          | 700000                                    | 2.067                            | 01-04-2018                   |                                    |           |                                     |                                  |
|        | Closing Balance                |   |                                  | 31-03-2019                   |                                    | No Change | 700000                              | 2.067                            |
| 3      | SANKARANARAYANAN SANGAMESWARAN | 578225                                    | 1.708                            | 01-04-2018                   |                                    |           |                                     |                                  |
|        | Closing Balance                |   |                                  | 31-03-2019                   |                                    | No Change | 578225                              | 1.708                            |
| 4      | SHARDA VIJAYKUMAR JAIN         | 300000                                    | 0.886                            | 01-04-2018                   |                                    |           |                                     |                                  |
|        |                                |   |                                  | 20-07-2018                   | 61803                              | Buy       | 361803                              | 1.068                            |
|        |                                |   |                                  | 10-08-2018                   | 29181                              | Buy       | 390984                              | 1.155                            |
|        |                                |   |                                  | 07-09-2018                   | 22500                              | Buy       | 413484                              | 1.221                            |
|        |                                |   |                                  | 14-09-2018                   | 2500                               | Buy       | 415984                              | 1.228                            |
|        |                                |   |                                  | 23-11-2018                   | 125                                | Buy       | 416109                              | 1.229                            |
|        |                                |   |                                  | 11-01-2019                   | 114660                             | Buy       | 530769                              | 1.567                            |
|        | Closing Balance                |   |                                  | 31-03-2019                   |                                    |           | 530769                              | 1.567                            |
| 5      | KAPIL RAJKUMAR AGARWAL         | 429883                                    | 1.269                            | 01-04-2018                   |                                    |           |                                     |                                  |
|        |                                |   |                                  | 27-04-2018                   | -1000                              | Sold      | 428883                              | 1.267                            |
|        |                                |   |                                  | 05-06-2018                   | 5200                               | Buy       | 434083                              | 1.282                            |
|        |                                |   |                                  | 29-06-2018                   | 12500                              | Buy       | 446583                              | 1.319                            |
|        |                                |   |                                  | 30-06-2018                   | 500                                | Buy       | 447083                              | 1.32                             |
|        |                                |   |                                  | 28-09-2018                   | 100                                | Buy       | 447183                              | 1.321                            |
|        |                                |   |                                  | 05-10-2018                   | 500                                | Buy       | 447683                              | 1.322                            |
|        |                                |   |                                  | 12-10-2018                   | 5222                               | Buy       | 452905                              | 1.337                            |
|        |                                |   |                                  | 19-10-2018                   | 3529                               | Buy       | 456434                              | 1.348                            |
|        |                                |   |                                  | 26-10-2018                   | 4399                               | Buy       | 460833                              | 1.361                            |
|        |                                |   |                                  | 02-11-2018                   | 6101                               | Buy       | 466934                              | 1.379                            |
|        |                                |   |                                  | 16-11-2018                   | 10000                              | Buy       | 476934                              | 1.408                            |
|        |                                |   |                                  | 30-11-2018                   | 5000                               | Buy       | 481934                              | 1.423                            |
|        |                                |   |                                  | 14-12-2018                   | 10000                              | Buy       | 491934                              | 1.453                            |
|        |                                |   |                                  | 28-12-2018                   | 1935                               | Buy       | 493869                              | 1.458                            |
|        |                                |   |                                  | 04-01-2019                   | 2345                               | Buy       | 496214                              | 1.465                            |
|        |                                |   |                                  | 25-01-2019                   | 5000                               | Buy       | 501214                              | 1.48                             |
|        |                                |   |                                  | 22-03-2019                   | 1100                               | Buy       | 502314                              | 1.483                            |
|        |                                |   |                                  | 29-03-2019                   | 9500                               | Buy       | 511814                              | 1.511                            |
|        | Closing Balance                |   |                                  | 31-03-2019                   |                                    |           | 511814                              | 1.511                            |
| 6      | INDIANIVESH LIMITED            | 0   | 0                                | 01-04-2018                   |                                    |           |                                     |                                  |
|        |                                |   |                                  | 17-08-2018                   | 500000                             | Buy       | 500000                              | 1.477                            |
|        | Closing Balance                |   |                                  | 31-03-2019                   |                                    |           | 500000                              | 1.477                            |
| 7      | PARUL RAJESH MODY              | 500000                                    | 1.477                            | 01-04-2018                   |                                    |           |                                     |                                  |
|        |                                |   |                                  | 27-04-2018                   | -100                               | Sold      | 499900                              | 1.476                            |

| Sr. No | Name of Shareholders              | Shareholding at the beginning of the year |                                  | Transactions during the year |                                    |           | Shareholding at the end of the year |                                  |
|--------|-----------------------------------|---|----------------------------------|------------------------------|------------------------------------|-----------|-------------------------------------|----------------------------------|
|        |                                   | Number of Shares                          | % of total Shares of the company | Date                         | Increase/ Decrease during the year | Reason    | Number of shares                    | % of total shares of the Company |
|        | Closing Balance                   |   |                                  | 31-03-2019                   |                                    |           | 499900                              | 1.476                            |
| 8      | INDIANIVESH CAPITALS LIMITED      | 150000                                    | 0.443                            | 01-04-2018                   |                                    |           |                                     |                                  |
|        |                                   |   |                                  | 29-06-2018                   | 500000                             | Buy       | 650000                              | 1.919                            |
|        |                                   |   |                                  | 06-07-2018                   | 100000                             | Buy       | 750000                              | 2.215                            |
|        |                                   |   |                                  | 20-07-2018                   | 150000                             | Buy       | 900000                              | 2.658                            |
|        |                                   |   |                                  | 27-07-2018                   | -102000                            | Sold      | 798000                              | 2.357                            |
|        |                                   |   |                                  | 10-08-2018                   | -4064                              | Sold      | 793936                              | 2.345                            |
|        |                                   |   |                                  | 17-08-2018                   | -500750                            | Sold      | 293186                              | 0.866                            |
|        |                                   |   |                                  | 28-09-2018                   | -43186                             | Sold      | 250000                              | 0.738                            |
|        |                                   |   |                                  | 12-10-2018                   | -50000                             | Sold      | 200000                              | 0.591                            |
|        |                                   |   |                                  | 02-11-2018                   | 250000                             | Buy       | 450000                              | 1.329                            |
|        | Closing Balance                   |   |                                  | 31-03-2019                   |                                    |           | 450000                              | 1.329                            |
| 9      | AQUA PUMPS INFRA VENTURES LIMITED | 0   | 0                                | 01-04-2018                   |                                    |           |                                     |                                  |
|        | Closing Balance                   |   |                                  | 31-03-2019                   | 450000                             | Buy       | 450000                              | 1.329                            |
| 10     | PANKAJ KAJARIA                    | 400000                                    | 1.181                            | 01-04-2018                   |                                    |           |                                     |                                  |
|        | Closing Balance                   |   |                                  | 31-03-2019                   |                                    | No Change | 400000                              | 1.181                            |

(v) **Shareholding of Directors and Key Managerial Personnel:**

| Sr. No.                          | Name of the Shareholders  | Shareholding at the beginning of the year |                                  | Increase/ Decrease during the year | Shareholding at the end of the year |                                  |
|----------------------------------|---|---|----------------------------------|------------------------------------|-------------------------------------|----------------------------------|
|                                  |   | No. of shares                             | % of total shares of the Company |                                    | No. of shares                       | % of total shares of the Company |
| Directors                        |   |   |                                  |                                    |                                     |                                  |
| 1                                | Sanjeev Aggarwal  | 1305045                                   | 3.854                            | 10000                              | 1315045                             | 3.883                            |
| 2                                | Rishav Aggarwal   | 885953                                    | 2.616                            | NIL                                | 885953                              | 2.616                            |
| 3                                | Sunil Goyal   | NIL                                       | NIL                              | NIL                                | NIL                                 | NIL                              |
| 4                                | H.S. Upendra Kamath   | NIL                                       | NIL                              | NIL                                | NIL                                 | NIL                              |
| 5                                | Praveenkumar Tripathi   | NIL                                       | NIL                              | NIL                                | NIL                                 | NIL                              |
| 6                                | Urvashi Dharadhar<br>(appointed w.e.f. November 14, 2018)                 | NIL                                       | NIL                              | NIL                                | NIL                                 | NIL                              |
| 7                                | Anjana Motwani<br>(ceased to be director w.e.f. August 10, 2018)          | NIL                                       | NIL                              | NIL                                | NIL                                 | NIL                              |
| Key Managerial Personnel (KMP's) |   |   |                                  |                                    |                                     |                                  |
| 1                                | Amit Sudhakar - Chief Financial Officer<br>(ceased w.e.f. May 20, 2019)   | NIL                                       | NIL                              | NIL                                | NIL                                 | NIL                              |
| 2                                | Dharak A. Mehta - Company Secretary<br>(appointed w.e.f. August 10, 2018) | NIL                                       | NIL                              | NIL                                | NIL                                 | NIL                              |
| 3                                | Snehal Pawar - Company Secretary<br>(ceased w.e.f. April 18, 2018)        | NIL                                       | NIL                              | NIL                                | NIL                                 | NIL                              |

**(v) INDEBTEDNESS**

(₹ In lakhs)

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

| Particulars  | Secured Loans<br>Excluding<br>Deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|--|--|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |  |                    |          |                       |
| i) Principal Amount  | 9,526                                  | 605                | -        | 10,131                |
| ii) Interest due but not paid                              | -                                      | -                  | -        | -                     |
| iii) Interest accrued but not due                          | -                                      | -                  | -        | -                     |
| <b>Total (i+ii+iii)</b>                                    | <b>9,526</b>                           | <b>605</b>         | <b>-</b> | <b>10,131</b>         |
| <b>Change in Indebtedness during the financial year</b>    |  |                    |          |                       |
| • Addition   | -                                      | 216                | -        | 216                   |
| • Reduction  | 1,770                                  | -                  | -        | 1,770                 |
| "• Reduction - Interest due but not paid"                  | -                                      | -                  | -        | -                     |
| • Reduction - Interest accrued but not due                 | -                                      | -                  | -        | -                     |
| <b>Net Change</b>  | <b>(1,770)</b>                         | <b>216</b>         | <b>-</b> | <b>(1,554)</b>        |
| <b>Indebtedness at the end of the financial year</b>       |  |                    |          |                       |
| i) Principal Amount  | 7,756                                  | 821                | -        | 8,577                 |
| ii) Interest due but not paid                              | -                                      | -                  | -        | -                     |
| iii) Interest accrued but not due                          | -                                      | -                  | -        | -                     |
| <b>Total (i + ii + iii)</b>                                | <b>7,756</b>                           | <b>821</b>         | <b>-</b> | <b>8,577</b>          |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

(₹ In lakhs)

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sr.<br>No. | Particulars of Remuneration   | Name of MD/ WTD/ Manager |                 | Total Amount |
|------------|---|--------------------------|-----------------|--------------|
|            |   | Sanjeev Aggarwal         | Rishav Aggarwal |              |
| 1          | Gross salary  |                          |                 |              |
|            | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 84.00                    | 0.00            | 84.00        |
|            | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                      | -                        | -               | -            |
|            | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961       | -                        | -               | -            |
| 2          | Stock Option  | -                        | -               | -            |
| 3          | Sweat Equity  | -                        | -               | -            |
| 4          | Commission  | -                        | -               | -            |
|            | - as % of profit  | -                        | -               | -            |
|            | - others, specify...  | -                        | -               | -            |
| 5          | Others, please specify  | -                        | -               | -            |
|            | <b>Total (A)</b>  | <b>84.00</b>             | <b>0.00</b>     | <b>84.00</b> |



**B. Remuneration to other directors:**

| Sr. No.  | Particulars of Remuneration                    | Name of Directors |                    |                       |                   |   | Total Amount    |
|----------|--|-------------------|--------------------|-----------------------|-------------------|---|-----------------|
|          |  | Sunil Goyal       | H.S Upendra Kamath | Praveenkumar Tripathi | Urvashi Dharadhar | Anjana Motwani (ceased to be director w.e.f 10.08.2018) |                 |
| <b>1</b> | <b>Independent Directors</b>                   |                   |                    |                       |                   |   |                 |
|          | • Fee for attending board / committee meetings | -                 | 85,000             | 70,000                | 15,000            | 0   | 1,70,000        |
|          | • Commission                                   | -                 | -                  | -                     | -                 | -   | -               |
|          | • Others, please specify                       | -                 | -                  | -                     | -                 | -   | -               |
|          | <b>Total (1)</b>                               | -                 | <b>85,000</b>      | <b>70,000</b>         | <b>15,000</b>     | <b>0</b>  | <b>1,70,000</b> |
| <b>2</b> | <b>Other Non-Executive Directors</b>           |                   |                    |                       |                   |   |                 |
|          | • Fee for attending board / committee meetings | 75,000            | -                  | -                     | -                 | -   | 75,000          |
|          | • Commission                                   | -                 | -                  | -                     | -                 | -   | -               |
|          | • Others, please specify                       | -                 | -                  | -                     | -                 | -   | -               |
|          | <b>Total (2)</b>                               | <b>75,000</b>     | -                  | -                     | -                 | -   | <b>75,000</b>   |
|          | <b>Total (B)=(1+2)</b>                         | <b>75,000</b>     | <b>85,000</b>      | <b>70,000</b>         | <b>15,000</b>     | <b>0</b>  | <b>2,45,000</b> |

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB** (₹ In lakhs)

| Sr. No | Particulars of Remuneration paid during the financial year 2018-2019                | Key Managerial Personnel |                                |                                    | Total |
|--------|---|--------------------------|--------------------------------|------------------------------------|-------|
|        |   | CFO                      | CS                             |                                    |       |
|        |   | Amit Sudhakar            | Snehal Pawar (Upto 18.04.2018) | Dharak A. Mehta (w.e.f 10.08.2018) |       |
| 1      | Gross salary  |                          |                                |                                    |       |
|        | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 60.11                    | 0.38                           | 5.26                               | 65.75 |
|        | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961                      | -                        | -                              | -                                  | -     |
|        | (c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961      | -                        | -                              | -                                  | -     |
| 2      | Stock Option  | -                        | -                              | -                                  | -     |
| 3      | Sweat Equity  | -                        | -                              | -                                  | -     |
|        | Commission  |                          |                                |                                    |       |
| 4      | - as % of profit  | -                        | -                              | -                                  | -     |
|        | - others, specify   |                          |                                |                                    |       |
|        | Others, please specify  | -                        | -                              | -                                  | -     |
|        | Total   | 60.11                    | 0.38                           | 5.26                               | 65.75 |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There was no penalty imposed by the statutory authorities on the Company under the Companies Act, 2013 and rules made thereunder during the Financial Year 2018-19. However the Company has been penalized by Securities and Exchange Board of India (SEBI) for ₹ 400,000/- vide SEBI Order dated August 28, 2018 vide no. EAD/KS/MKG/AO/175/2018-19 for failure to make disclosure under Regulation 7(2)(b) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, in case of allotment of 11,17,000 equity shares to Polsons Traders LLP, Promoter Group of the Company on April 16, 2016. The said penalty has been timely paid by the Company to the SEBI.

For and on behalf of the Board of Directors  
Kisan Mouldings Limited

Sd/-

**Sanjeev Aggarwal**  
Chairman & Managing Director  
(DIN: 00064076)

Date: August 14, 2019  
Place: Mumbai

**ANNEXURE - F****ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:****1) CONSERVATION OF ENERGY:**

The Company has strong commitment towards conservation of energy, natural resources and adoption of latest technology in its area of operations. The Company putting best endeavor to reduce energy consumption in all its operations and activities by focusing on:

- 1) Continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- 2) Achieving the power factor near to unity in all plants by the effective reactive energy management.
- 3) The Company is also looking further exploring the feasibility of utilization of solar power.

The information related to power and fuel consumption of energy is as follows:

| Electricity           | Unit       | 2018-19     | 2017-18     |
|-----------------------|------------|-------------|-------------|
| Purchased             | KWH        | 2,29,18,734 | 2,48,79,881 |
| Total Amount          | ₹ In lakhs | 1,841.18    | 1,582.99    |
| Average Rate per unit | ₹          | 8.03        | 6.36        |

**2) TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT (R & D)**

The CAPEX plans of the Company have progressed well, with several key projects either complete or on the verge of completion. The Company has successfully launched the Water Tank division during FY 17, through its plant in Tarapur. Further machines have commenced in North and South India to push the same regionally. The fittings Automation project of Tarapur stands completed as far as all machines related to building products are concerned.

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 – **Not Applicable**
- (b) The year of import- **Not Applicable**
- (c) Whether the technology been fully absorbed- **Not Applicable**
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and - **Not Applicable**

The expenditure incurred on Research and Development- **Not Significant**

**3) FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

- A. Foreign Exchange Earning = INR 126.41 Lakhs
- B. Foreign Exchange Outgo = INR 205.39 Lakhs

# CORPORATE GOVERNANCE REPORT

## 1. STATEMENT ON COMPANY'S PHILOSOPHY:

The Company strongly believes that Good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Corporate Governance is a system by which an organisation is managed and controlled within the parameters laid down by the regulatory authorities. The Company constantly strives towards betterment of these aspects and thereby perpetuate it into generating long term value for its shareholders, customers, employees, other associated persons and the society as a whole.

The Company understands that the Compliances of applicable legislations and timely disclosures enhance the image of the Company as a good Corporate Citizen in the Country.

## 2. BOARD OF DIRECTORS:

The Board of Directors of the Company is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Board has a fiduciary relationship in ensuring that the rights of all the stakeholders are protected. The Board action and decision are aligned with the Company's best interest.

### A. Board Composition:

The Board of Directors (Board) of the Company is a balanced Board, comprising of Executive and Non-Executive Directors including woman director. As on March 31, 2019, the Board consisted of Six Directors. The Chairman of the Company is an Executive Director and majority of the Board members are Non-Executive Directors which includes Independent Directors also. Out of the Six Directors, Two (i.e. 33.33%) are Executive/Whole-time Directors and Four (i.e. 66.67%) are Non-Executive Directors out of which Three (i.e. 50%) are Independent Directors including a Woman Director. The profiles of the Directors can be found on <http://www.kisangroup.com/aboutus/bod.php>. The composition of Board represents an optimal mix of professionalism, knowledge, experience and enables Board to discharge its responsibilities and provide effective leadership to the business. The Board periodically evaluates the need for change in its composition and size.

Necessary disclosures regarding directorship and committee position as on March 31, 2019 has been made by the directors and based on that it is confirmed that no director on the Board of the Company holds directorship in more than Ten Public Companies and no Independent Directors of the Company serves as an Independent Director in more than Seven listed entities. None of the Directors of the Company is related to each other except Mr. Sanjeev Aggarwal and Mr. Rishav Aggarwal. The composition of the Board is in conformity with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, with regard to Corporate Governance.

During the year under review, Mrs. Anjana Motwani (DIN: 02650184) resigned from the Directorship due to personal reasons on August 10, 2018. Further Mrs. Urvashi Dharadhar (DIN: 08279196) was appointed as an Additional Director under the category of Non-Executive Director (Woman Independent Director) on November 14, 2018.

As on March 31, 2019 the Company has complied with requirement pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013 (Including any Statutory Modification or Re-enactment thereof for the time being in force).

The names and categories of the Directors on the Board and the number of Directorship and Committee Chairmanship/ Membership held by them in other public companies as on March 31, 2019 are given herein below:

| SI no.                  | Name of the Directors      | Designation                             | Category     | Particulars of other Directorship and Committee Membership/ Chairmanship |                      |                        | Directorship in other Listed Entity (Category of Directorship)  |
|-------------------------|----------------------------|---|--------------|--|----------------------|------------------------|---|
|                         |                            |   |              | Other directorship   | Committee Membership | Committee Chairmanship |   |
| Executive Directors     |                            |   |              |  |                      |                        |   |
| 1                       | Mr. Sanjeev Aggarwal       | Chairman & Managing Director            | Promoter     | -  | -                    | -                      | Not Applicable  |
| 2                       | Mr. Rishav Aggarwal        | Whole-time Director                     | Promoter     | -  | -                    | -                      | Not Applicable  |
| Non-Executive Directors |                            |   |              |  |                      |                        |   |
| 3                       | Mr. H.S. Upendra Kamath    | Independent Director                    | Non Promoter | 3  | 1                    | -                      | 1. Ram Ratna Wires Limited (Independent Director)<br>2. Lakshmi Vilas Bank Limited (Independent Director) |
| 4                       | Mrs. Urvashi Dharadhar     | Woman Additional Director (Independent) | Non Promoter | -  | -                    | -                      | Not Applicable  |
| 5                       | Mr. Praveen Kumar Tripathi | Independent Director                    | Non Promoter | 1  | 1                    | 1                      | 1. Motilal Oswal Financial Services Limited (Independent Director)  |
| 6                       | Mr. Sunil Goyal            | Non- Independent Director               | Non Promoter | 3  | 4                    | 1                      | 1. Ladderup Finance Limited (Managing Director)<br>2. Parag Milk Foods Limited (Independent Director)     |

1. Mrs. Anjana Motwani relinquished the position of Independent Director w.e.f. August 10, 2018 due to personal reasons.
2. Other directorship do not include directorship of private limited companies, Foreign Companies, Companies formed under Section 25 of the Companies Act, 1956 and Section 8 of the Companies Act, 2013 and Directorship held as an alternate Director. For the purpose of determination of limit of the Board Committees, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26 (1) (b) of the SEBI Listing Regulations, 2015.
3. No director related to each other except Mr. Rishav Aggarwal is son of Mr. Sanjeev Aggarwal.

## B. Board Terms and Conditions for Appointment & Tenure:

The Board of Directors of the Company are appointed by members at the General Meetings. The Nomination and Remuneration Committee works with Board periodically to determine the appropriate skills of the Board as a whole and its individual members.

Pursuant to Section 152 of the Companies Act, 2013 & Rules made thereunder, all Directors, except the Independent Directors of the Company are subject to retire by rotation and if eligible, offer themselves for re-appointment. The Executive Directors on the Board serve in accordance with the terms of their contract of service with the Company. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company. The Company has adopted provisions with respect to appointment and tenure of Independent Director which are consistent with the Companies Act, 2013 and other related Regulations.

Pursuant to Section 165 of the Companies Act, 2013 and rules made thereunder, none of the Directors on the Board hold office as a director, including any alternate directorship, in more than twenty companies in

which the maximum number of public companies does not exceed ten. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Requisite disclosures pertaining to Committee positions in other public companies as on March 31, 2019 have been made by the Directors to the Compliance Officer.

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board was undertaken. A note on Board Evaluation is detailed in the Directors Report.

### C. Independent Directors:

The Independent Directors of the Company are Non-Executive Directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013. The maximum tenure of Independent Directors is two terms of five years each. The Company has received necessary declaration from each Independent Directors as prescribed under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence as per aforesaid Regulations.

The Independent Directors met once during the financial year ended March 31, 2019 i.e. on February 14, 2019 without the presence of Executive Directors as prescribed under Regulation 25 of SEBI Listing Regulations and inter alia discussed:

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

The Independent Directors were also provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company has also set up Code of Conduct & Familiarisation Programme for Independent Directors which can be accessed from the weblink at <http://www.kisangroup.com/investorrelations/code-policies.php>

### D. Board Meeting and Attendance:

The Board Meetings of the Company are governed by a structured agenda. The Board Members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information and supporting documents to enable the Board to take informed decision.

The Board Meetings are pre-scheduled and a tentative date of the Board is communicated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The Board Meetings are usually held at the Registered Office of the Company at 26 'A', 3rd Floor, "K" Wing, Tex Centre, Chandivali, Off. Saki Vihar Road, Andheri (East), Mumbai - 400 072.

During the Financial Year 2018-19, total four (4) Meetings of the Board of Directors were held. The maximum gap between two meetings was within the period prescribed under Section 173 of the Companies Act, 2013 and Regulations 17 of the SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015:-

| Sr. No. | Date of Board Meeting | Board Strength | Number of directors present |
|---------|-----------------------|----------------|-----------------------------|
| 1       | May 21, 2018          | 6              | 5                           |
| 2       | August 10, 2018       | 6              | 5                           |
| 3       | November 14, 2018     | 6              | 5                           |
| 4       | February 14, 2019     | 6              | 6                           |



During the year under review, Three Circular resolutions were also passed viz. Two Circular Resolutions on September 25, 2018 and One Circular Resolution on March 28, 2019 which were approved by majority of the Board Members. None of director dissent any resolution passed during the year under review.

The attendance at the Board Meetings and at the Annual General Meeting (AGM) during the Financial Year 2018-19 is as follows:

| Sr. No. | Name of Director                                    | Number of Board Meeting entitled to attend | Number of Board Meeting attended | Attendance at the last AGM held on 22.09.2018 |
|---------|---|--|----------------------------------|---|
| 1       | Mr. Sanjeev Aggarwal                                | 4  | 4                                | Yes   |
| 2       | Mr. Rishav Aggarwal                                 | 4  | 4                                | Yes   |
| 3       | Mr. H.S. Upendra Kamath                             | 4  | 4                                | No  |
| 4       | Mr. Praveen Kumar Tripathi                          | 4  | 4                                | No  |
| 5       | Mr. Sunil Goyal                                     | 4  | 4                                | Yes   |
| 6       | Mrs. Urvashi Dharadhar (Appointed w.e.f 14.11.2018) | 2  | 1                                | NA  |
| 7       | Mrs. Anjana Motwani (Cessation w.e.f. 10.08.2018)   | 2  | 0                                | NA  |

#### E. Number of shares and convertible instruments held by Non- Executive Directors:

Details of shares and convertible instruments held by Non- Executive Directors during the Financial Year under review are as under:

| Sr. No. | Name of Director                                     | No. of Equity Shares | Convertible instruments |
|---------|--|----------------------|-------------------------|
| 1       | Mr. H.S. Upendra Kamath                              | 0                    | Not Applicable          |
| 2       | Mr. Praveen Kumar Tripathi                           | 0                    | Not Applicable          |
| 3       | Mr. Sunil Goyal                                      | 0                    | Not Applicable          |
| 4       | Mrs. Urvashi Dharadhar (Appointed w.e.f. 14.11.2018) | 0                    | Not Applicable          |
| 5       | Mrs. Anjana Motwani (Resigned w.e.f 10.08.2018)      | 0                    | Not Applicable          |

Details of familiarisation programmes of Independent Directors can be accessed on the weblink viz. <http://www.kisangroup.com/investorrelations/code-policies.php>

#### F. Skills/expertise/competencies of the Board of Directors:

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

- 1) Business experience and Industry knowledge
- 2) Professional Skill and Qualification
- 3) Behavioural Competencies

### 3. COMMITTEES OF THE BOARD

The Board Committees are the operating system of the Company. It provides organizational structure, and at the same time allows enough flexibility so that the board can adapt quickly to the changing demands of the business environment.

There are total five Board Committees as on March 31, 2019, which comprises three statutory committees and two other non- statutory committees that have been formed, considering the needs of the Company, details of which are as follows:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Executive Committee
5. Preferential Issue Committee

These Board Committees play a crucial role in the governance structure of the Company as it make full use of members' expertise, time and commitment and ensures diversity of opinions on the Board Meetings of

each Board Committee are convened by the respective Committee Chairman. Matters requiring the Board's attention/approval, as emanating from the Board Committee meetings, are placed before the Board by the respective Committee Chairman. The signed minutes of the Committee Meetings are also placed before the Board for information and noting.

## **A. AUDIT COMMITTEE:**

### **(i) Brief description of terms of reference of Audit Committee:**

The Audit Committee of the Company provides reassurance to the Board on the existence of an effective internal control environment and is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- reviewing with the management the quarterly financial results before submission to the Board for approval;
- reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- scrutiny of inter-corporate loans and investments made by the Company;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- recommendation for appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services rendered;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Modified opinion(s) in the draft audit report;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

- reviewing with the management performance of Statutory Auditors and Internal Auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up thereon;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- evaluation of the internal financial controls and risk management systems;
- evaluating the valuation of undertaking or assets of the Company, wherever it is necessary;
- reviewing the functioning of the Whistle Blowing Mechanism;
- carrying out any other function as is mentioned in the terms of reference of the audit committee;
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- shall mandatorily review:
  - (1) Management discussion and analysis of financial condition and results of operations;
  - (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (4) Internal audit reports relating to internal control weaknesses;
  - (5) The appointment, removal and terms of remuneration of the chief internal auditor and
  - (6) Statement of deviations:
    - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## (ii) Composition of the Committee:

As on March 31, 2019, the Audit Committee comprised of four Non- Executive Directors, majority of members of the Committee are Independent Directors. All members of the Committee are financially literate and possess accounting and financial management expertise.

Composition of the Audit Committee as on March 31, 2019 and status of attendance are as follows:

| Sr. No. | Name of Director          | Position | No. of Meetings entitled to attend | No. of Meetings attended |
|---------|---------------------------|----------|------------------------------------|--------------------------|
| 1       | Mr. H.S. Upendra Kamath   | Chairman | 4                                  | 4                        |
| 2       | Mr. Sunil Goyal           | Member   | 4                                  | 4                        |
| 3       | Mr. Praveenkumar Tripathi | Member   | 4                                  | 4                        |
| 4       | Mrs. Urvashi Dharadhar    | Member   | 1                                  | 1                        |

During the year under review, the Board of Directors at their meeting held on November 14, 2018 had appointed Mrs. Urvashi Dharadhar as Additional Director (Independent Director) of the Company and also inducted her as Member of the Audit Committee.

### (iii) Audit Committee Meetings:

The permanent invitees to the Audit Committee Meetings include the Executive Directors, Chief Financial Officer, Statutory Auditors and Internal Auditors. The Company Secretary acts as the Secretary to the Committee. The Internal Auditor reports were placed before the Audit Committee Meeting. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board.

During the Financial Year 2018-19, the Audit Committee met four times i.e. on May 21, 2018; August 10, 2018; November 14, 2018 and February 14, 2019. The gap between two meetings did not exceed 120 days.

The Chairman of the Audit Committee Mr. H.S Upendra Kamath had authorised Mr. Sunil Goyal to attend the 29th Annual General Meeting of the Company held on September 22, 2018. Accordingly, he had attended AGM and replied to the Shareholder's queries.

## B. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

### i. Brief description of terms of reference:

The Company has duly constituted a Stakeholders' Relationship Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee oversees redressal of shareholder and investor grievances and, inter alia, take into account any matter pertaining to transmission of shares, transfer of shares, sub-division / consolidation / renewal / issue of duplicate share certificates, non-receipt of annual report and non-receipt of declared dividends etc.

The role of Stakeholders' Relationship Committee, inter alia, includes the following:

- oversee and review all matters connected with the transfer of Company's securities;
- approve issue of the Company's duplicate share certificates;
- consider, resolve and monitor the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- review of measures taken for effective exercise of voting rights by shareholders;
- ensure expeditious share transfer process;
- review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- provide guidance and make recommendations to improve investor service levels for the investors;
- carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment / or modification as may be applicable;
- perform such other functions as may be necessary or appropriate for the performance of its duties;
- sub-delegation of any power to any Committee member.

### ii. Stakeholders' Relationship Committee Composition:

As on March 31, 2019, the Stakeholders' Relationship Committee comprised of total 3 members. The Committee is headed by Mr. H.S. Upendra Kamath, an Independent – Non Executive Director during the Financial Year 2018-19. The Committee met five times i.e. on May 21, 2018, August 10, 2018, September 04, 2018, November 14, 2018 & February 14, 2019. The composition of committee as on March 31, 2019 and status of attendance of the members is as follows:

| Sr. No. | Name of Director        | Position | No. of meetings entitled to attend | No. of Meetings attended |
|---------|-------------------------|----------|------------------------------------|--------------------------|
| 1       | Mr. H.S. Upendra Kamath | Chairman | 2                                  | 2                        |
| 2       | Mr. Sanjeev Aggarwal    | Member   | 5                                  | 5                        |
| 3       | Mr. Rishav Aggarwal     | Member   | 5                                  | 5                        |
| 4       | Mrs. Anjana Motwani     | Member   | 2                                  | 0                        |

During the year under review following changes were undertaken in the composition of the said committee:

- Mr. H.S. Upendra Kamath – Independent Director was appointed as a Member and Chairman of the Committee w.e.f September 25, 2018.
- Mrs. Anjana Motwani ceased as Member and Chairman of the Committee w.e.f. August 10, 2018.

During the year under review, the Stakeholders Relationship Committee has also passed one resolution by way of circulation on January 29, 2019.

### iii. Complaints/ request received from shareholders during the Financial Year 2018-19:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| -               | 4                        | 4                        | -               |

### iv. Name and Designation of Compliance Officer:

Name : Mr. Dharak A. Mehta  
 Designation : Company Secretary & Compliance Officer  
 Address : Kisan Mouldings Limited  
 26-A, 3<sup>rd</sup> Floor, K Wing, Tex Centre, Chandivali, Off Saki Vihar Road,  
 Andheri (East), Mumbai – 400 072  
 Tel No. : +91 22 4200 9100  
 Email ID : [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com)

## C. NOMINATION AND REMUNERATION COMMITTEE:

### Brief description of terms of reference:

The Nomination and Remuneration Committee of the Company is constituted pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

The role of Nomination and Remuneration Committee are as follows:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- during the formulation of above policy it must ensure that—
  - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- identifying candidates who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment



and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance determine whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors;

- devising a policy on diversity of board of directors;
- recommend to the Board, all remuneration, in whatever form, payable to senior management.

### Composition of the Committee:

The Nomination and Remuneration Committee comprises of three Non- Executive Directors. The Chairman of the Committee is Mr. H.S. Upendra Kamath – Non Executive Director (Independent Director), Mr. Sunil Goyal – Non-Executive Director (Non-Independent Director) and Mr. Praveen Kumar Tripathi – Non-Executive Director (Independent Director) are the members of the Committee. During the period under review Mrs. Anjana Motwani has been resigned from the Committee w.e.f August 10, 2018 and Mr. Praveen Kumar Tripathi was appointed as a Member of the Committee w.e.f. September 25, 2018.

### Meeting of the Nomination and Remuneration Committee and attendance of the members:

During the Financial Year ended March 31, 2019, the Committee met thrice i.e. on August 10, 2018, November 14, 2018 and February 14, 2019.

| Name of the Director       | No. of Meetings entitled to attend | No. of Meetings attended |
|----------------------------|------------------------------------|--------------------------|
| Mr. H.S. Upendra Kamath    | 3                                  | 3                        |
| Mr. Sunil Goyal            | 3                                  | 3                        |
| Mr. Praveen Kumar Tripathi | 2                                  | 2                        |
| Mrs. Anjana Motwani        | 1                                  | 0                        |

### Remuneration of Directors:

#### a) All pecuniary relationship or transactions of the Non- Executive Directors:

No pecuniary relationship exists between the Non- Executive Directors and the Company other than drawing sitting fees and reimbursement of expenses to attend meetings of the Board and Committees thereof.

#### b) Criteria of making payments to Non- Executive Directors:

The Criteria of making payments to Non- Executive Directors of the Company is disseminated on the website of the Company and can be accessed at following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>

#### c) Remuneration policy:

The Remuneration Policy of Kisan Mouldings Limited (“the Company”) is designed to attract, motivate, retain manpower, improve productivity, encouraging initiatives, personal growth and team work and inculcating a sense of belonging and involvement. The policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

This Remuneration Policy applies to Directors, Senior Management including Key Managerial Personnel (KMP) of the Company. The said policy can be accessed at the following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>

#### 1. Remuneration to Manager/ Whole Time Director/ Managing Director:

The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per the provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

Managing Director / Whole-time Directors of the Company is being paid salary, allowances, perquisites, which are of fixed nature and does not involve performance linked incentives and there is no ESOP issued. Payment of remuneration to Whole Time Director and Chairman & Managing Director is governed by the terms and conditions of which have been duly approved by the Board of Directors and the shareholders of the Company.

### **Service contracts, notice period, severance fees;**

The Service Contract entered by the Company with Mr. Rishav Aggarwal (DIN: 05155607), Whole-time Director and Mr. Sanjeev Aggarwal (DIN: 00064076), Chairman & Managing Director for 3 years w.e.f. August 22, 2017 and April 01, 2019 respectively. The terms of employment stipulate a notice period of 3 (Three) months, for termination of appointment of Whole-time Director and Chairman & Managing Director, on either side. There is no provision for payment of severance fees.

## **2. Remuneration to Non- Executive Director/ Independent Director:**

- a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013 and rules made thereunder. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c. An Independent Director shall not be eligible to get Stock Options and to participate in any share based payment scheme of the Company.
- d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i. The Services are rendered by such Director in his capacity as the professional; and
  - ii. In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

## **3. Remuneration to Key Managerial Personnel and Senior Management:**

- a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and may include incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as may be decided from to time.
- c. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

## **d) Performance Evaluation criteria for Independent Directors:**

The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of the Independent Directors through a peer evaluation, excluding the Director being evaluated. An indicative list of factors that may be evaluated include active participation and contribution by a Director in long-term strategic planning, commitment to the fulfilment of a Director's obligations and fiduciary responsibilities, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

## **D. EXECUTIVE COMMITTEE:**

Apart from the above Statutory Committees, the Board of Directors has also constituted an Executive Committees for strategic management of the Company's business within Board approved direction/ framework. The composition of the Executive Committee is determined by the Board based on the recommendation of the Nomination & Remuneration Committee.

### **Executive Committee Composition:**

As on March 31, 2019, the Executive Committee comprised of all the Executive Directors of the Company i.e. Mr. Sanjeev Aggarwal – Chairman & Managing Director and Mr. Rishav Aggarwal – Whole-time Director as the members of the Committee. During the year under review there was no changes made in the composition of the Committee.

## Role of Executive Committee:

The role of Executive Committee delegated by the Board of Directors are as follows:

- To borrow loans and monies etc. from the Banks, financial institutions or other corporate agencies for an aggregate amount, including present and future, not exceeding to ₹ 500 Crores from time to time;
- To invest funds in Bonds, Mutual Funds Units, Fixed Deposits, RD etc. and to make loans, advances, give guarantee or provide security in respect of loan to any other for an aggregate amount, including present and future, not exceeding to ₹ 50 Crore;
- To entrusting the responsibility of identifying the surplus assets of the Company and dispose of idle assets of the Company for a value not exceeding to ₹ 50 Crores;
- To issue power of attorney/ delegate operational powers to the officials of the Company for the purpose of routine matters of the Company;
- To appoint any person as authorize representatives of the Company to appear before the various regulatory, agencies, statutory authorities for any matter related to obtaining registration, no objections and approvals for the business of the Company;
- To apply for new connections/enhancement in power for various plants of the Company from time to time;
- To appoint employee or Solicitors/ Advocates or such other agencies as authorize representatives on behalf of the Company to appear and represent legal cases or matters filed by or against the Company in civil courts or criminal courts or any court of law or any judiciary authority;
- To appoint Tax Advisors/ Professionals or such other agencies for tax matters of the Company;
- To oversee policy development pertaining to ethics, security guidelines, quality management, human resources, environmental and regulatory requirements;
- To authorize officials of the Company to enter into/ execute or sign and submit any deed(s), agreement(s), application(s), tender(s) or any other necessary document(s) or papers on behalf of Company with Banks, Financial Institutions, Statutory or regulatory authorities or any other agencies;
- To open current account, cash credit account and any other account with various Banks and authorize officials of the Company, from time to time, in relation to operating such bank account.

The Committee reports to the Board and the minutes of these meetings are placed before the Board for confirmation.

## Executive Committee Meetings:

The Executive Committee met five times during the Financial Year ended March 31, 2019 i.e. on April 26, 2018, September 07, 2018, November 01, 2018, January 21, 2019 and March 12, 2019.

## E. PREFERENTIAL ISSUE COMMITTEE:

In order to assist the Board for timely discharge of responsibilities in connection with the preferential allotment a Preferential Issue Committee is constituted for the issue and allotment of Equity Shares and to discuss and freeze their roles and responsibilities.

### Preferential Issue Committee Composition:

The Preferential Issue Committee comprises of Mr. Sunil Goyal – Non-Executive (Non-Independent) Director and Mr. Sanjeev Aggarwal – Chairman & Managing Director as the members of the Committee.

### Role of Preferential Issue Committee:

The role of Preferential Issue Committee are as follows:

- Review, monitor and provide strategic direction for utilization/usage of application money received from the proposed allottees;
- Obtain in-principle approval from the Stock Exchange where the shares of the Company are listed;
- Allot equity shares to the proposed allottees;
- Carry out formalities for Listing of Equity Shares on the Stock Exchange;
- Carry out any other acts, deeds and activities which may be deemed necessary in relation to the issue of equity shares on preferential basis.

### Preferential Issue Committee Meetings:

During the financial year under review there was no meetings conducted of the Committee.

## 4. SUBSIDIARY COMPANIES:

During the year under review, KML Tradelinks Private Limited is the only wholly owned subsidiary of the Company. Regulation 16(1)(c) of the Listing Regulations defines a 'material subsidiary' as a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. As per the above Regulation, the Company does not have a material subsidiary as on date of this Report. The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements, in particular investments made by unlisted subsidiary companies are reviewed quarterly by the Company's Audit Committee.
- Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board quarterly.
- A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

Policy on determining material subsidiaries of the Company can be accessed from the following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>

## 5. GENERAL BODY MEETINGS:

Details of the last three Annual General Meetings and the Summary of Special Resolutions passed therein are as under:

| AGM  | Financial Year ended | Date and Time                    | Special Resolutions Passed  |
|------|----------------------|----------------------------------|---|
| 27th | March 31, 2016       | September 03, 2016 at 3.30 p.m.  | <ul style="list-style-type: none"> <li>• Re-appointment and increase in remuneration of Mr. Sanjeev Aggarwal, Whole-time Director of the Company.</li> <li>• Issuing Equity Shares on preferential basis to the strategic investors.</li> </ul>               |
| 28th | March 31, 2017       | September 30, 2017 at 11.00 a.m. | <ul style="list-style-type: none"> <li>• To approve appointment and remuneration of Mr. Rishav Aggarwal as the Whole-time Director of the Company.</li> <li>• To approve and issue Equity Shares on preferential basis to the strategic investors.</li> </ul> |
| 29th | March 31, 2018       | September 22, 2018 at 4.30 p.m.  | <ul style="list-style-type: none"> <li>• Re-classification of the promoters of the Company.</li> </ul>  |

The above-mentioned AGMs were held at Mirage Hotel, International Airport Approach Road, Marol, Andheri (East), Mumbai: 400059.

During the year under review, no resolution was passed through Postal Ballot process.

None of the business proposed to be transacted in the ensuing Annual General Meeting requires passing a Special Resolution through postal ballot process.

## 6. DISCLOSURES:

### a) Disclosures on materially significant related party transactions that may have potential conflict with the Company's interests at large:

During the period under review, the Company had not entered into any material transaction with any of its related parties. Related Party Transactions during the year have been disclosed vide Note no. 40, in notes forming part of the Standalone Financial Statements as per requirements of 'Indian Accounting Standards - 24 on Related Party Disclosure' issued by the Institute of Chartered Accountants of India. The same were placed before the Audit Committee from time to time as required. None of these transactions with any of related parties have any potential conflict with the interest of the Company. No related party transaction was outside the normal course of business of the Company and all related party transactions were entered on arm length basis.

Policy for consideration and approval of Related Party Transactions of the Company can be accessed from the following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>

### b) Details of Non-Compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory authorities or any matter related to capital market during the last three years:

The Company has complied with the statutory provisions, rules and regulations relating to the Capital Market. However the Company has been penalized for ₹ 400,000/- vide SEBI Order dated August 28, 2018 vide no. EAD/KS/MKG/AO/175/2018-19 for failure to make disclosure under Regulation 7(2)(b) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, in case of allotment of 11,17,000 equity shares to Polsons Traders LLP, Promoter Group of the Company on April 16, 2016. Apart from the said penalty there were no other non-compliances for which penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years. The Company has been impleaded in certain legal cases, however, none of these cases are material in nature, which may lead to material loss or expenditure to the Company.

### c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism pursuant to the Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to report genuine concerns about unethical behaviour. The Company Secretary is the Vigilance Officer for effective implementation of the policy and dealing with the complaints registered under the policy. All cases registered under the Whistle Blower Policy of the Company, are reported to the Audit Committee for their review. However, during the year under review, there were no complaint lodged with the Company under the said vigil mechanism and whistle blower policy. No person has been denied access to the Chairman of the Audit Committee except in exceptional cases. The said policy has also been put up on the website of the Company at the following web link: <http://www.kisangroup.com/investorrelations/code-policies.php>

### d) Disclosure of Directors disqualification under Section 164 of the Companies Act, 2013:

None of the Directors are disqualified under Section 164 of the Companies Act, 2013. A certificate has been received from M/s. AVS & Associates, Practicing Company Secretaries, Secretarial Auditors of the Company, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory authority. Certificate of Non-disqualification of Directors is appended as "Annexure - 1" of this Corporate Governance Report.



**e) Proceeds from Preferential Issue:**

The Company discloses to the Audit Committee, the uses/applications of proceeds/funds raised from Preferential Allotment from time to time.

**f) Compliance with the Corporate Governance Framework:**

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Board Members are qualified for their positions and have a clear understanding of their role in corporate governance and are not subject to undue influence from management or outside concerns. The Company periodically submits a quarterly compliance report on corporate governance in the format as specified under Regulation 27 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, with regard to Corporate Governance. Certificate of Compliance with Corporate Governance requirement is appended as “**Annexure - 2**” of this Corporate Governance Report.

**g) Details of compliance with the mandatory requirements and adoption of the non mandatory requirements:**

The Company has complied with all the mandatory requirements as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

M/s. CAS & Co., Chartered Accountants (Formerly known as M/s. K.M Tulsian & Associates), Internal Auditors of the Company usually submit its report to the Audit Committee from time to time.

**h) Details of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part.**

ADV & Associates, Chartered Accountants (Firm Registration No. 128045W ) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors’ fees, on consolidated basis is given below:

| (₹ In lakh)   |           |
|---|-----------|
| Particulars   | Amount    |
| Services as Statutory Auditors (including quarterly audits) | 10,00,000 |
| Tax Audit   | 2,00,000  |
| Services for tax matters                                    | Nil       |
| Other matters   | Nil       |
| Re-imbursement of out-of-pocket expenses                    | 20,000    |
| Total   | 12,20,000 |

**i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company strongly believes in zero tolerance towards sexual harassment at the workplace and is committed to provide a healthy environment to each and every employee of the Company. Your Company has framed and adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. Details of the complaints as on 31.03.2019 are as under:

|  |                |
|--|----------------|
| Number of complaints pending as on the beginning of the year | Nil            |
| Number of complaints received during the year                | Nil            |
| Number of complaints disposed off during the year            | Not applicable |
| Number of cases pending for more than 90 days                | Not applicable |
| Nature of action taken by the employer                       | Not applicable |
| Number of complaints pending as on end of the year           | Nil            |

## 7. MEANS OF COMMUNICATION TO SHAREHOLDERS:

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, Company's website and subject specific communication.

The quarterly, half yearly and annual financial results of the Company are submitted to the BSE Limited immediately after they are approved by the Board of Directors of the Company through online compliances dissemination portal mandated by the BSE Limited. The Results were published in one English newspaper widely circulating in the whole or substantially the whole of India viz. Business Standard and in one Marathi newspaper viz. Mumbai Lakshadeep. These results are also made available on the website of the Company at <http://www.kisangroup.com/investorrelations/financialresults.php>. During the year under review, there were no official news releases and presentations made to institutional investors or to the analysts. The quarterly financial results, press release, shareholding pattern and all other information disseminated to analysts/ Institutional investors are hosted on the Company's website at [www.kisangroup.com](http://www.kisangroup.com)

## 8. NON COMPLIANCE OF ANY REQUIREMENTS OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF SHALL BE DISCLOSED:

During the year under review, the Chairman of Audit Committee and Nomination and Remuneration Committee, due to pre-occupations, did not attend the Annual General Meeting of the Company held on September 22, 2018. However, he had appointed Mr. Sunil Goyal, Non-Executive Director/Member of the Committee to be present at the Annual General Meeting and resolved any related queries of Shareholders.

## 9. SHAREHOLDERS' INFORMATION:

### a) Particulars of ensuing Annual General Meeting for the Financial Year 2018-19:

|                              |  |
|------------------------------|--|
| <b>Date</b>                  | <b>September 21, 2019</b>  |
| <b>Venue</b>                 | Mirage Hotel, International Airport Approach Road, Marol, Andheri (East), Mumbai: 400059 |
| <b>Time</b>                  | 4.30 P.M.  |
| <b>Day</b>                   | Saturday   |
| <b>Financial Year</b>        | March 31, 2019   |
| <b>Dividend payment date</b> | Not Applicable   |

### b) Tentative Calendar for financial year ending March 31, 2019

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending March 31, 2020 are as follows:

|  |                         |
|--|-------------------------|
| Financial Results for the quarter ending 30.06.2019                      | On or before 14.08.2019 |
| Financial Results for the quarter ending 30.09.2019                      | On or before 14.11.2019 |
| Financial Results for the quarter ending 31.12.2019                      | On or before 14.02.2019 |
| Annual Audited Financial Results for the Financial Year ended 31.03.2020 | On or before 30.05.2020 |

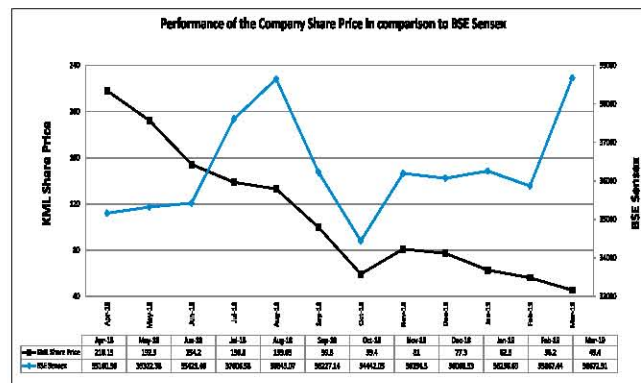
**c) Listing in Stock Exchanges and Stock Codes:**

|  |   |
|--|---|
| Name of the Stock Exchange                   | BSE Limited (BSE)                           |
| Stock Code                                   | 530145                                      |
| ISIN   | INE017C01012                                |
| Payment of Annual Listing Fees for 2019-2020 | Payment is duly made within the time limit. |

**d) Share Price Data:**

The monthly high and low prices of Company's equity shares traded at BSE Limited (BSE) during the financial year ended March 31, 2019 are as follows:

| MONTH          | HIGH   | LOW    |
|----------------|--------|--------|
| April 2018     | 235.50 | 150.00 |
| May 2018       | 222.05 | 187.25 |
| June 2018      | 196.40 | 145.10 |
| July 2018      | 155.00 | 131.00 |
| August 2018    | 142.75 | 126.20 |
| September 2018 | 135.30 | 95.20  |
| October 2018   | 94.85  | 59.40  |
| November 2018  | 81.00  | 56.00  |
| December 2018  | 92.40  | 64.40  |
| January 2019   | 83.80  | 60.00  |
| February 2019  | 66.95  | 52.15  |
| March 2019     | 66.85  | 45.40  |

**e) Registrar and Share Transfers Agents:****M/s. Sharex Dynamics (India) Pvt. Ltd.,**

C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083,

Tel.: +91 22 2851 5606/2851 5644, Fax: +91 22 8512885, Email: [support@sharexindia.com](mailto:support@sharexindia.com)

**f) Share Transfer System:**

Share Transfers and Share Certificates are processed and returned within time stipulated by the Companies Act, 2013 subject to the documents being valid and complete in all respects by Sharex Dynamics (India) Private Limited – RTA of the Company. A summary of transfers/transmission of securities of the Company from the Registrar and Transfer Agent is placed quarterly before Stakeholders Relationship Committee Meeting.

**g) Distribution of Shareholding as on March 31, 2019:**

|                 | SHAREHOLDERS |               | SHARES          |               |
|-----------------|--------------|---------------|-----------------|---------------|
| Up to 5000      | 6168         | 76.774        | 907434          | 2.680         |
| 5001 to 10000   | 707          | 8.800         | 582970          | 1.722         |
| 10001 to 20000  | 456          | 5.676         | 705073          | 2.082         |
| 20001 to 30000  | 181          | 2.253         | 466636          | 1.378         |
| 30001 to 40000  | 102          | 1.270         | 368880          | 1.089         |
| 40001 to 50000  | 83           | 1.033         | 395066          | 1.167         |
| 50001 to 100000 | 110          | 1.369         | 788262          | 2.328         |
| 100001 to above | 227          | 2.825         | 29648744        | 87.555        |
| <b>Total</b>    | <b>8034</b>  | <b>100.00</b> | <b>33863065</b> | <b>100.00</b> |

## h) Shareholding Pattern as on March 31, 2019:

| Category code  | Category of Shareholder | Number of Shareholders | Total number of shares | Total Shareholding as a % of Total No. of Shares |
|--|-------------------------|------------------------|------------------------|--|
| <b>A) SHAREHOLDING OF PROMOTER AND PROMOTER GROUP:</b>   |                         |                        |                        |  |
| 1. Indian  |                         | 28                     | 148,28,320             | 43.79  |
| 2. Foreign   |                         | 0                      | 0                      | 0  |
| <b>Total Shareholding of Promoter and Promoter Group</b> |                         | <b>28</b>              | <b>148,28,320</b>      | <b>43.79</b>                                     |
| <b>B) PUBLIC SHAREHOLDING:</b>                           |                         |                        |                        |  |
| 1. Institutions  |                         | 2                      | 160,000                | 0.47   |
| 2. Non -Institutions                                     |                         | 8004                   | 188,74,745             | 55.74  |
| <b>Total Public Shareholding</b>                         |                         | <b>8006</b>            | <b>190,34,745</b>      | <b>56.21</b>                                     |
| <b>TOTAL (A) + (B)</b>                                   |                         | <b>8034</b>            | <b>338,63,065</b>      | <b>100</b>                                       |

## i) Dematerialization of Shares:

The shares of the Company are compulsorily traded in dematerialised form on BSE Limited and are available for trading in both the depository systems of NSDL and CDSL. 100% of the holding of the promoters and promoter Group are in dematerialised form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE017C01012.

Details of shareholding of the Company in dematerialised and physical mode are as under:

| Category | No. of Shares | % of Total Issued Capital |
|----------|---------------|---------------------------|
| CDSL     | 125,78,940    | 37.146                    |
| NSDL     | 210,54,897    | 62.177                    |
| Physical | 229,228       | 0.677                     |
| Total    | 338,63,065    | 100%                      |

## j) Postal Ballot:

The Company has not passed any special resolution through postal ballot during the last financial year i.e. 2018-19 and as of now no special resolution is proposed to be conducted through postal ballot.

## k) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity.

The Company in the past has not issued any GDRs/ ADRs/ Warrants or any Convertible Instruments and therefore as on March 31, 2019, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments which will likely impact the Equity Share Capital of the Company.

## l) Commodity price risk or foreign exchange risk and hedging activities:

During the year under review, the Company has managed the foreign exchange risk and hedging activities. The Company monitors these risks on regular basis to ensure they are mitigated and margins are not adversely impacted.

## m) Plant Locations are as under:

- Survey No. 64/1, 63/1, 70, 71, 72, 74/1/1 Village-Mahagaon, Taluka-Palghar, Boisar, Dist-Thane (Maharashtra).
- Survey No. 34/1/1, Village - Umerkui, Silvassa - D. & N.H. (U. T.).
- Plot No. 5-A/5 Industrial Area No. 2, Dewas, Madhya Pradesh - 455001.
- Plot No. 172-B and 173-A Village Nogenhalli, Kora Hubli, Tumkur Taluka, Karnataka.
- Survey No. 108/1/6, Surangi Road, Near Khadoli Sub Station, Silvassa.

**n) Address for Investor Correspondence:****Kisan Mouldings Limited**

26 'A', 3rd Floor, 'K' Wing, Tex Centre,  
 Chandivali, Off. Saki Vihar Road, Andheri (East),  
 Mumbai - 400 072  
 Tel. No.: 022 - 42009100  
 E-mail: [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com)  
[investor.relations@kisangroup.com](mailto:investor.relations@kisangroup.com)

**Registrar and Share Transfer Agent****Sharex Dynamic (India) Private Limited**

C-101, 247 Park, LBS Marg, Vikhroli West,  
 Mumbai - 400 083  
 Tel. No.: 022 - 2851 5606, 2851 5644  
 Fax No.: 022 - 2851 2885.  
 Email: [support@sharexindia.com](mailto:support@sharexindia.com)

**o) Credit Ratings:**

Details of credit ratings obtained by the Company alongwith revisions thereto during the Financial Year 2018-19 are furnished herein below:

| Sr. No. | Type                       | Instrument/ Bank Facility                 | Amount (₹ in Crore) | Rating during FY 2019 | Previous Rating |
|---------|----------------------------|---|---------------------|-----------------------|-----------------|
| 1       | Long Term Bank Facilities  | Fund based- LT- Cash Credit               | 108.75              | CARE D                | CARE B+; Stable |
| 2       |                            | Fund based- LT- Funded Interest Term Loan | 12.50               | CARE D                | CARE B+; Stable |
| 3       |                            | Fund based- LT- Term Loan                 | 48.51               | CARE D                | CARE B+; Stable |
| 4       |                            | Fund based- LT- Working Capital Term Loan | 38.99               | CARE D                | CARE B+; Stable |
| 5       | Short Term Bank Facilities | Non-fund based- ST- Bank Guarantee        | 11.25               | CARE D                | CARE A4         |
| 6       |                            | Non-fund based- ST- ILC/ FLC              | 80.00               | CARE D                | CARE A4         |
|         | <b>TOTAL</b>               |   | <b>300.00</b>       |                       |                 |

**p) CEO/CFO Certificate**

Certificate from Mr. Sanjeev A Aggarwal (DIN: 00064076), Chairman & Managing Director of the Company, in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the Financial Year 2018-19 was placed before the Board at its meeting held on May 21, 2019. The said CEO/CFO Certificate is appended as **"Annexure -3"** of this Corporate Governance Report".

**q) Code of Conduct for Members of Board and Senior Management:**

The Company has adopted the Code of Conduct for Executive Directors, Non-Executive Directors and Senior Management Personnel. A declaration has been received from Independent Directors, Non-executive Directors and Senior Management regarding compliance of the Code for the year under review in terms of SEBI Listing Regulations. The said code is posted on the website of the Company, which can be accessed at following weblink: <http://www.kisangroup.com/investorrelations/code-policies.php>. A declaration to this effect signed by Mr. Sanjeev A Aggarwal, Chairman & Managing Director of the Company forms part of this Report as **'Annexure - 4'**.

For Kisan Mouldings Limited

**Sd/-**

**Sanjeev A. Aggarwal**

Chairman & Managing Director  
 (DIN: 00064076)

Date: August 14, 2019

Place: Mumbai

## Annexure-1

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**Kisan Mouldings Limited**  
Add: Tex Centre, K Wing, 3rd Floor, 26-A  
Chandivili Road, Nr. HDFC Bank,  
Andheri (E), Mumbai - 400072

Based on our verification of the declarations provided to **Kisan Mouldings Limited ('the Company')** by its Directors and the documents, information, Forms and Returns available on the website of the Ministry of Corporate Affairs, BSE Limited and in the public domain as on the date of issue of this certificate, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year as on March 31, 2019 have been debarred or disqualified for being appointed or continuing as a director of a Company, by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority.

| Sr. No. | Name of the Directors              | DIN      |
|---------|------------------------------------|----------|
| 1.      | Sanjeev Amarnath Aggarwal          | 00064076 |
| 2.      | Rishav Sanjeev Aggarwal            | 05155607 |
| 3.      | Sunil Badriprasad Goyal            | 00503570 |
| 4.      | Upendra Hosdurg Sundar Kamath      | 02648119 |
| 5.      | Praveen Kumar Ramniranjan Tripathi | 03154381 |
| 6.      | Urvashi Anand Dharadhar            | 08279196 |

We further hereby inform that, ensuring the eligibility for the appointment/continuity of Director on the Board is the responsibility of the Company. Our responsibility is to issue this certificate based on verification of documents and information available in the public domain.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **AVS & Associates**  
Company Secretaries

**Sd/-**  
**Vijay Yadav**  
Partner  
Mem. No: A39251  
C.P. No: 16806

Place: Navi Mumbai  
Date: August 02, 2019



**Annexure-2****CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE**  
REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)  
REGULATIONS, 2015

To  
The Members of  
**Kisan Mouldings Limited**

We have examined the compliance of corporate governance by **Kisan Mouldings Limited** for the year ended 31st March, 2019 in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with stock exchange(s).

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **AVS & Associates**  
Company Secretaries

**Sd/-**  
**Vijay Yadav**  
Partner  
Mem. No: A39251  
C.P. No: 16806

Place: Navi Mumbai  
Date: August 02, 2019

**Annexure-3**

# CEO/CFO CERTIFICATION

To  
The Board of Directors  
**KISAN MOULDINGS LIMITED**

In compliance with Regulation 17(8) read with Schedule II Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby certify that:

1. I have reviewed financial statements of **KISAN MOULDINGS LIMITED** for the quarter and year ended March 31, 2019 and to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the quarter and year which are fraudulent, illegal or violate the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the Auditors and the Audit Committee:
  - i. That there are no significant changes in internal control over financial reporting during the year;
  - ii. That there are no significant changes in accounting policies during the year; and
  - iii. That there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

FOR KISAN MOULDINGS LIMITED

**Sd/-**  
**Sanjeev A. Aggarwal**  
Chairman & Managing Director  
**(DIN: 00064076)**

Date: May 21, 2019  
Place: Mumbai

## Annexure-4

### Declaration regarding compliance by Board Members and Senior Management Personnel with the Company Code of Conduct

I, Mr. Sanjeev A Aggarwal, Chairman & Managing Director of the Company, hereby declare that all the Board members and Senior Management Personnel affirmed for the Financial Year 2018-19 compliance with the Code of Conduct of the Company laid down for them pursuant to Regulation 17(5) read with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Kisan Mouldings Limited

Sd/-

**Sanjeev A. Aggarwal**

Chairman & Managing Director

(DIN: 00064076)

Date: August 14, 2019

Place: Mumbai

# FINANCIAL STATEMENTS

# Independent Auditor's Report

To The Members of **KISAN MOULDINGS LIMITED**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **KISAN MOULDINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and 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, 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 (IND AS) under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit & Loss statement and its cash flows for the year ended on that date.

### Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities 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 independence 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 we have obtained is sufficient and appropriate to provide a basis for our 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 the key audit matters to be communicated in our report.

#### Sr. No. Key Audit Matter

- |   |   |
|---|---|
| 1 | Revenue Recognition<br>(refer Note. 1.9 related to Revenue) |
|---|---|

We focused on this area as a key audit matter due to the risk of incorrect timing of revenue recognition and estimation related to recording the discount and rebates. According to the financial statement' accounting principles revenue is recognized at a point in time when the control of the goods is transferred to the customer according to delivery terms. Due to variation of contractual sales terms and practices across the market and the pressure, the management may feel to achieve performance targets, there is a risk of material error.

#### Auditor's Response

To address this risk of material misstatement relating to revenue recognition, our audit procedures included:

- Assessing the compliance of company's revenue recognition policies with applicable accounting standards, including those related to discounts and rebates.
- Assessing the adequacy of relevant disclosures.

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does

not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility 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 and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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.

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

## Auditor's Responsibilities 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report that :
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during

the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :

- i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to

the Investor Education and Protection Fund by the Company.

- 2) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For ADV & ASSOCIATES**

Chartered Accountants

Firm Registration number: 128045W

**Prakash Mandhaniya**

Partner

Membership number: 421679

Mumbai

May 21, 2019

# Annexure “A” to the Independent Auditor’s Report

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of KISAN MOULDINGS LIMITED of even date)**

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

We have audited the internal financial controls over financial reporting of **KISAN MOULDINGS LIMITED** (“the Company”) as of March 31, 2019 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, include in 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.

## Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 internal financial controls system over financial reporting of the Company.

## Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

## Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

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

were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ADV & ASSOCIATES**

Chartered Accountants

Firm Registration number: 128045W

**Prakash Mandhaniya**

Partner

Membership number: 421679

Mumbai

May 21, 2019

# Annexure 'B' to the Independent Auditor's Report

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KISAN MOULDINGS LIMITED of even date)**

i) In respect of the Company's fixed assets :

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a program of verification to cover all the items of fixed assets in a phased manner 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 fixed assets 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) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Except two immovables properties acquired under the scheme of merger.
  - ii) The Company has a program of verification to cover all the items of inventories in a phased manner which, in our opinion, is reasonable having regard to the size of the Company. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - iii) According to the information and explanations given to us, the Company has not granted any secured or unsecured loans to bodies corporate,

firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, reporting under clause (iii) of the order is not applicable to the Company.

- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi) We have broadly reviewed the books of accounts maintained by the Company in respect of products where pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Act. We are of the opinion, that prima facie the prescribed accounts and records have been maintained by the Company. The contents of these accounts and records have not been examined by us.
- vii) According to the information and explanations given to us, in respect of statutory dues :
  - a) The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax and other material statutory dues applicable to it with the appropriate authorities.

- b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable except Indirect Tax of Rs. 206.90 Lakh and TDS of Rs. 13.79 Lakh.
- c) According to the information and explanations given to us, there are no dues of income tax, duty of excise and service tax and value added tax have not been deposited with the appropriate authorities on account of any dispute Except the below.

| Sr. No. | Act                                 | Nature of Dues           | Amount in Lakh | Period related | Authority  |
|---------|-------------------------------------|--------------------------|----------------|----------------|--|
| 1       | The Central Sales Tax/VAT/Entry Tax | VAT, CST, ENTRY TAX      | 5835.68        | 1993-2014      | DY.COM. SALES TAX (APPEAL) NAVI MUMBAI, DY. AND ASST. COMMISSIONER OF SALES TAX, DC/APPEAL SALES TAX-PALGARH, DC SALES TAX BELAPUR NODEL OFFICE, JC APPEAL SALES TAX BHAYANDAR   |
| 2       | The Central Excise Act, 1944        | Excise Duty, Service Tax | 2191.14        | 1998-2015      | COMMISSIONER CENTRAL EXCISE, RAIGAD, DY. COMMISSIONER OF ALIBAUG DIVISION, A.C. DIVISION SILVASSA, ADD. DIRECTOR GENERAL OF CENTRAL EXCISE INTELLIGENCE, ADD. COMMISSIONER VAPI, D.C. DIV-IV SILVASSA, ADDL.COMMISSIONER THANE-II, ASSISTANT & DEPUTY COMMISSIONER |

- viii) In our opinion and according to the information and explanations given to us, The company did not have any outstanding dues to debenture holders during the year. During the year under review the Company has not defaulted in the repayment of dues to Banks and NBFCs except as mentioned below.

| Name of Lender  | Amount (in Lakhs) | Remarks if Any |
|---|-------------------|----------------|
| Union Bank of India   | 56.64             | Term Loan      |
| Punjab National Bank  | 299.16            | Term Loan      |
| Industrial Development Banks of India (IDBI)                  | 398.28            | Term Loan      |
| Industrial Credit and Investment Corporation of India (ICICI) | 441.24            | Term Loan      |
| Shamrao Vithal Co-operative Bank                              | 277.44            | Term Loan      |
| Hinduja Layland Finance                                       | 39.56             | LAP            |
| Cholamandalam Investment and Finance Co. Ltd                  | 18.45             | Vehicle loan   |
| Dailmer Financial Services India Private Limited              | 6.04              | Vehicle loan   |
| The Housing Development Finance Corporation (HDFC)            | 21.07             | Vehicle loan   |
| Kotak Mahindra Bank   | 10.45             | Vehicle loan   |
| Mahindra And Mahindra Financial Services Ltd.                 | 19.51             | Vehicle loan   |
| TATA MOTORS FINANCE LTD                                       | 7.46              | Vehicle loan   |
| BMW Financial Services  | 6.29              | Vehicle loan   |
| Industrial Credit and Investment Corporation of India (ICICI) | 9.17              | Vehicle loan   |

**Note: -**

Dues as mentioned above for repayment are delayed for days range of 0 day to 90 days. However, none of such delays exceed the said range.



- ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the order are not applicable to the company and hence not commented upon.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party

transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For ADV & ASSOCIATES**

Chartered Accountants

Firm Registration number: 128045W

**Prakash Mandhaniya**

Partner

Membership number: 421679

Mumbai

May 21, 2019

# Standalone Balance Sheet as at 31<sup>st</sup> March, 2019

(All amounts are in lakhs, except share data and as stated)

| Particulars   | Notes | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------|-------------------------|-------------------------|
| <b>ASSETS</b>   |       |                         |                         |
| <b>Non - current assets</b>   |       |                         |                         |
| Property, plant and equipment   | 2     | 15,275.72               | 17,045.35               |
| Capital work-in-progress  | 2     | 20.66                   | 30.48                   |
| Intangible assets   | 3     | 3.85                    | 4.83                    |
| Investment in subsidiary  | 4     | 1.00                    | 1.00                    |
| Financial assets  |       |                         |                         |
| Investments   | 5     | 6.56                    | 6.56                    |
| Other financial assets  | 6     | 83.63                   | 97.95                   |
| Non-current tax assets (net)  | 7     | 285.10                  | 257.98                  |
| Deferred tax assets (net)   | 8     | 2,299.76                | 1,701.60                |
| Other non-current assets  | 9     | 155.38                  | 526.94                  |
|   |       | <b>18,131.66</b>        | <b>19,672.69</b>        |
| <b>Current assets</b>   |       |                         |                         |
| Inventories   | 10    | 18,075.10               | 19,672.54               |
| Financial assets  |       |                         |                         |
| Trade receivables   | 11    | 14,550.50               | 15,278.33               |
| Cash and cash equivalents   | 12    | 398.45                  | 362.43                  |
| Bank balances other than cash and cash equivalents mentioned above          | 13    | 1,102.42                | 1,094.57                |
| Loans   | 14    | 217.83                  | 216.38                  |
| Other financial assets  | 15    | 904.66                  | 977.19                  |
| Other current assets  | 16    | 1,250.21                | 1,373.60                |
| Assets classified as held for sale  | 17    | 1,547.19                | 828.23                  |
|   |       | <b>38,046.36</b>        | <b>39,803.27</b>        |
| <b>TOTAL</b>  |       | <b>56,178.02</b>        | <b>59,475.98</b>        |
| <b>EQUITY AND LIABILITIES</b>   |       |                         |                         |
| <b>EQUITY</b>   |       |                         |                         |
| Equity share capital  | 18    | 3,386.31                | 3,386.31                |
| Other equity  | 19    | 13,043.10               | 14,004.44               |
| <b>Total Equity</b>   |       | <b>16,429.41</b>        | <b>17,390.75</b>        |
| <b>LIABILITIES</b>  |       |                         |                         |
| <b>Non - current liabilities</b>  |       |                         |                         |
| Financial liabilities   |       |                         |                         |
| Borrowings  | 20    | 6,415.58                | 7,738.59                |
| Other financial liabilities   | 21    | 347.32                  | 311.59                  |
| Provisions  | 22    | 226.72                  | 183.45                  |
|   |       | <b>6,989.62</b>         | <b>8,233.63</b>         |
| <b>Current liabilities</b>  |       |                         |                         |
| Financial liabilities   |       |                         |                         |
| Borrowings  | 23    | 12,105.88               | 11,503.01               |
| Trade payables  | 24    | 13,258.53               | 15,224.05               |
| Other financial liabilities   | 25    | 3,827.26                | 4,024.77                |
| Other current liabilities   | 26    | 2,297.97                | 1,799.61                |
| Provisions  | 27    | 981.83                  | 1,047.46                |
| Liabilities directly associated with assets classified as held for sale     | 28    | 287.53                  | 252.70                  |
|   |       | <b>32,759.00</b>        | <b>33,851.60</b>        |
| <b>TOTAL</b>  |       | <b>56,178.02</b>        | <b>59,475.98</b>        |
| Significant accounting policies   | 1     |                         |                         |
| The accompanying notes form an integral part of these Financial Statements. |       |                         |                         |

As per our attached report of even date

## For ADV & Associates

Chartered Accountants

Firm Registration No. 128045W

## Prakash Mandhaniya

Partner

Membership No. 421679

Date:- May 21, 2019

Place:- Mumbai

## For and on behalf of the Board of Directors of, Kisan Mouldings Limited.

**Sanjeev A. Aggarwal**

DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**

DIN: 05155607

**Whole Time Director**

**Dharak A. Mehta**

ICSI M.No. 40502

**Company Secretary**

# Standalone Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019

(All amounts are in lakhs, except share data and as stated)

| Particulars   | Notes | For the year<br>Ended March 31,<br>2019 | For the year<br>ended March 31,<br>2018 |
|---|-------|---|---|
| <b>Income</b>   |       |   |   |
| Revenue from operations   | 29    | 49,030.00                               | 48,217.35                               |
| Other income  | 30    | 123.64                                  | 534.08                                  |
| <b>Total Income</b>   |       | <b>49,153.64</b>                        | <b>48,751.43</b>                        |
| <b>Expenses</b>   |       |   |   |
| Cost of materials consumed  | 31    | 28,284.38                               | 30,503.39                               |
| Purchases of stock-in-trade   | 32    | 5,679.29                                | 7,029.26                                |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 33    | 1,327.74                                | (4,512.89)                              |
| Excise duty   | 34    | -                                       | 857.34                                  |
| Employee benefits expense   | 35    | 1,967.70                                | 2,012.43                                |
| Finance costs   | 36    | 3,261.31                                | 3,587.13                                |
| Depreciation and amortisation expense   | 2 & 3 | 1,391.72                                | 1,413.55                                |
| Other expenses  | 37    | 8,816.42                                | 8,226.55                                |
| <b>Total Expenses</b>   |       | <b>50,728.55</b>                        | <b>49,116.76</b>                        |
| <b>Profit / (Loss) for the year before tax</b>                                |       | <b>(1,574.91)</b>                       | <b>(365.33)</b>                         |
| Tax expense : -   |       |   |   |
| Current tax   |       |   |   |
| Deferred tax charge / (Credit)  | 8     | (603.04)                                | (376.91)                                |
| <b>Profit / (Loss) for the year (A)</b>                                       |       | <b>(971.87)</b>                         | <b>11.58</b>                            |
| <b>Other Comprehensive Income</b>   |       |   |   |
| <i>Items that will not be reclassified to profit or loss</i>                  |       |   |   |
| Remeasurements gains/(losses) on defined benefit plan                         |       | 15.40                                   | 6.95                                    |
| Income tax effect on above  |       | (4.87)                                  | (2.37)                                  |
| <b>Total other comprehensive income / (loss) for the year (B)</b>             |       | <b>10.53</b>                            | <b>4.58</b>                             |
| <b>Total comprehensive income / (loss) for the year (A+B)</b>                 |       | <b>(961.34)</b>                         | <b>16.16</b>                            |
| Earnings per equity share of face value of ₹ 10 each fully paid up            |       |   |   |
| Basic ₹   | 38    | (2.87)                                  | 0.04                                    |
| Diluted ₹   | 38    | (2.87)                                  | 0.04                                    |
| Significant accounting policies   | 1     |   |   |
| The accompanying notes form an integral part of these Financial Statements.   |       |   |   |

As per our attached report of even date  
**For ADV & Associates**  
 Chartered Accountants  
 Firm Registration No. 128045W

**Prakash Mandhaniya**  
 Partner  
 Membership No. 421679

Date:- May 21, 2019  
 Place:- Mumbai

**For and on behalf of the Board of Directors of,  
 Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**  
 DIN: 00064076

**Rishav S. Aggarwal**  
 DIN: 05155607

**Dharak A. Mehta**  
 ICSI M.No. 40502

**Chairman & Managing Director**

**Whole Time Director**

**Company Secretary**

# Standalone Statement of changes in equity for the year ended 31<sup>st</sup> March, 2019

(All amounts are in lakhs, except share data and as stated)

## (a) Equity Share Capital

|                                      | Amount          |
|--------------------------------------|-----------------|
| <b>Balance as at April 01, 2017</b>  | <b>2,886.31</b> |
| Changes in equity during F.Y 2017-18 | 500.00          |
| <b>Balance as at April 01, 2018</b>  | <b>3,386.31</b> |
| Changes in equity during F.Y 2018-19 | -               |
| <b>Balance as at March 31, 2019</b>  | <b>3,386.31</b> |

## (b) Other Equity

|                                     | Reserves & Surplus |                  |                   | Other Comprehensive Income              | Total            |
|-------------------------------------|--------------------|------------------|-------------------|---|------------------|
|                                     | Securities Premium | General Reserves | Retained Earnings | Remeasurements of defined benefit plans |                  |
| <b>Balance as on March 31, 2017</b> | <b>4,924.02</b>    | <b>366.46</b>    | <b>3,305.96</b>   | <b>5.97</b>                             | <b>8,602.41</b>  |
| Addition during the year            | 5,385.87           |                  |                   |   | 5,385.87         |
| Profit / (Loss) for the year        |                    |                  | 11.58             |   | 11.58            |
| Other comprehensive income          |                    |                  |                   | 4.58                                    | 4.58             |
| <b>Balance as on March 31, 2018</b> | <b>10,309.89</b>   | <b>366.46</b>    | <b>3,317.54</b>   | <b>10.55</b>                            | <b>14,004.44</b> |
| Addition during the year            | (0.00)             |                  |                   |   | (0.00)           |
| Profit / (Loss) for the year        |                    |                  | (971.87)          |   | (971.87)         |
| Other comprehensive income          |                    |                  |                   | 10.53                                   | 10.53            |
| <b>Balance as on March 31, 2019</b> | <b>10,309.89</b>   | <b>366.46</b>    | <b>2,345.67</b>   | <b>21.08</b>                            | <b>13,043.10</b> |

As per our attached report of even date

**For A D V & Associates**

Chartered Accountants

Firm Registration No. 128045W

**Prakash Mandhaniya**

Partner

Membership No. 421679

Date:- May 21, 2019

Place:- Mumbai

**For and on behalf of the Board of Directors of,  
Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**

DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**

DIN: 05155607

**Whole Time Director**

**Dharak A. Mehta**

ICSI M.No. 40502

**Company Secretary**

# Standalone Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2019

(All amounts are in lakhs, except share data and as stated)

| Particulars   | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|-----------------------------------|-----------------------------------|
| <b>A. CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:</b>                           |                                   |                                   |
| Profit before tax   | <b>(1,574.91)</b>                 | <b>(365.33)</b>                   |
| <b>Adjustments for :</b>  |                                   |                                   |
| Depreciation and amortisation   | 1,391.72                          | 1,413.55                          |
| Interest expenses   | 3,261.31                          | 3,587.13                          |
| (Profit)/Loss on sale of property, plant and equipments                             | 133.21                            | (47.49)                           |
| Dividend income   | (0.60)                            | (0.60)                            |
| Liability written back  | (29.48)                           | (272.99)                          |
| <b>Cash Generated from operations before working capital changes</b>                | <b>3,181.24</b>                   | <b>4,314.27</b>                   |
| (Increase) / Decrease in inventories  | 1,597.44                          | (4,969.67)                        |
| (Increase) / Decrease in trade receivables  | 727.83                            | (3,478.54)                        |
| (Increase) / Decrease in other non-current financial assets                         | 14.32                             | 116.61                            |
| (Increase) / Decrease in other non-current assets                                   | 371.56                            | (394.16)                          |
| (Increase) / Decrease in other current financial assets                             | 71.08                             | (239.38)                          |
| (Increase) / Decrease in other current assets                                       | 123.39                            | 81.78                             |
| Increase / (Decrease) in non-current provisions                                     | 43.27                             | 43.20                             |
| Increase / (Decrease) in current provisions   | (65.63)                           | (333.35)                          |
| Increase / (Decrease) in other non-current financial liabilities                    | 35.73                             | (60.33)                           |
| Increase / (Decrease) in other current financial liabilities                        | (2,133.55)                        | 5,684.62                          |
| Increase / (Decrease) in other current liabilities                                  | 498.36                            | (293.95)                          |
| (Increase) / Decrease in non current tax [net ]                                     | (27.12)                           | (43.39)                           |
| Increase / (Decrease) in other assets held for sales                                | 34.83                             | 252.70                            |
| <b>Cash generated from operations</b>   | <b>4,472.75</b>                   | <b>680.42</b>                     |
| Income taxes paid   | 0.00                              | 0.00                              |
| <b>Net cash generated from / (used in) operating activities (A)</b>                 | <b>4,472.75</b>                   | <b>680.42</b>                     |
| <b>B. CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES:</b>                         |                                   |                                   |
| Purchase of property, plant and equipment and additions to capital work in progress | (986.86)                          | (1,408.07)                        |
| Proceeds from sale of property, plant and equipment                                 | 538.83                            | 425.63                            |
| Dividend received   | 0.60                              | 0.60                              |
| Movement in bank balances other than cash and cash equivalents                      | (7.85)                            | (90.74)                           |
| <b>Net cash from / (used in) investing activities (B)</b>                           | <b>(455.29)</b>                   | <b>(1,072.58)</b>                 |

# Standalone Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2019

(All amounts are in lakhs, except share data and as stated)

| Particulars  | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|--|-----------------------------------|-----------------------------------|
| <b>C. CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES:</b>            |                                   |                                   |
| Proceeds from issuance of share capital                                | -                                 | 500.00                            |
| Premium on issue of shares   | -                                 | 5,385.88                          |
| Repayment of non-current borrowings                                    | (1,323.01)                        | (1,777.55)                        |
| Proceeds from current borrowings                                       | 602.87                            | 35.08                             |
| Interest paid  | (3,261.31)                        | (3,587.13)                        |
| <b>Net cash from / (used in) financing activities (C )</b>             | <b>(3,981.45)</b>                 | <b>556.28</b>                     |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>               | <b>36.01</b>                      | <b>164.12</b>                     |
| <b>CASH AND CASH EQUIVALENTS, beginning of year</b>                    | <b>362.43</b>                     | <b>198.32</b>                     |
| Unrealised gain / (loss) on foreign currency cash and cash equivalents | 0.00                              | 0.00                              |
| <b>CASH AND CASH EQUIVALENTS, end of year</b>                          | <b>398.44</b>                     | <b>362.43</b>                     |
| <b>Components of cash and cash equivalents, as at March 31</b>         |                                   |                                   |
| Cash on hand   | 10.45                             | 8.07                              |
| Cash in current account  | 388.00                            | 354.36                            |
|  | <b>398.45</b>                     | <b>362.43</b>                     |

## Notes:

- A. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'
- B. All figures in bracket are outflow.

As per our attached report of even date

### For A D V & Associates

Chartered Accountants  
Firm Registration No. 128045W

### Prakash Mandhaniya

Partner  
Membership No. 421679

Date:- May 21, 2019

Place:- Mumbai

### For and on behalf of the Board of Directors of, Kisan Mouldings Limited.

**Sanjeev A. Aggarwal**  
DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**  
DIN: 05155607

**Whole Time Director**

**Dharak A. Mehta**  
ICSI M.No. 40502

**Company Secretary**



# Notes to the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2019

## BACKGROUND

Kisan Mouldings Limited (the 'Company') is a public limited Company domiciled in India with its registered office located at 26 'A', 3rd Floor, K-wing, "Tex Centre", Chandivali, Off Saki Vihar Road, Andheri (East), Mumbai – 400 072. The Company is listed on the Bombay Stock Exchange (BSE). The Company is a well-known brand in the PVC Pipes, Fittings and Allied Products. Its pipes and fittings are widely used for water management, irrigation, water distribution, cable ducting, drinking water, tube wells and sewage disposal systems. The Company has also engaged itself in the manufacturing of Custom Moulded Articles and Moulded Furniture. The Company has manufacturing facilities across the country and sells primarily in India through independent distributors.

## Basis of preparation

### A. Statement of compliance

The financial statements have been prepared in compliance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements of the Company for the year ended March 31<sup>st</sup>, 2019 were approved for issue in accordance with the resolution of the Board of Directors on May 21<sup>st</sup>, 2019.

### B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

### C. Key estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Financial Instrument (Refer note 42 & 43);
- Valuation of inventories (Refer note 10);
- Measurement of Defined Benefit Obligation, key actuarial assumptions (Refer note 41);
- Provisions and Contingencies (Refer note 22 and 27) and
- Evaluation of recoverability of deferred tax assets (Refer note 8)

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

### D. Recent accounting developments

Standards issued but not yet effective

In march 2019, the ministry of corporate affairs [ MCA] issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain IND-AS.

The Standard/amendments are applicable to the Company with effect from 1st April 2019.

- IND AS -116 Lease
- Appendix C to Ind AS -12, Income taxes
- Amendments to Ind AS -103, Business Combinations
- Amendments to Ind AS -109, Financial Instruments
- Amendments to Ind AS -111, Joint Arrangements
- Amendments to Ind AS -19, Employee Benefits
- Amendments to Ind AS -23, Borrowing Costs
- Amendments to Ind AS-28, Investments in Associates and Joint Ventures

Based on Preliminary work, the Company does not expect these amendments to have any significant impact on its Financial statements.

## 1. Significant Accounting policies

### 1. Property, Plant and Equipment (PPE)

#### i. Recognition and measurement

PPE are measured at cost/deemed cost, less accumulated depreciation and impairment losses, if any.

The cost of an item of PPE comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Pre-operative expenses, including interest on borrowings up to the date of commercial operations, are treated as part of project cost and capitalised.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in profit or loss.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advance under "Other Non Current Assets"

#### ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### iii. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE (other than leasehold land) has been provided based on useful life of the assets as estimated by the management on Straight Line Method. The useful lives used, are in agreement with those specified in Schedule II of the Companies Act, 2013.

Leasehold land are amortized over the lease period. Buildings constructed on leasehold land are depreciated based on the management estimate of useful life, where the lease period is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortized over the primary lease period of the land.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Profit and loss on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

## 2. Intangible assets

### i. Recognition and measurement

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

### ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

### iii. Amortization

Intangible asset comprises computer software purchased, which are not an integral part of the related hardware and are amortized on a straight line basis over a period of 8 years, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

### iv. Research and development cost:

#### (1) Research cost:

Revenue expenditure on research is charged to statement of profit and loss under the respective heads of accounts in the period in which it is incurred.

#### (2) Development cost:

Development expenditure on new product is capitalized as intangible asset, if all of the following can be demonstrated.

- (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) the Company has intention to complete the development of intangible asset and use or sell it;

(iii) the Company has ability to use or sell the intangible asset;

(iv) the manner in which the probable future economic benefit will be generated including the existence of a market for output of the intangible asset or the intangible asset itself or if it is to be used internally, the usefulness of the intangible asset;

(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

(vi) the Company has ability to measure the expenditure attributable to the intangible asset during the development reliably.

Development costs on the intangible assets, fulfilling the criteria are amortized over a period of five years, otherwise are expensed in the period in which they are incurred.

## 3. Investment in subsidiary

Investments in subsidiary is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

## 4. Inventories

Inventories are valued after providing for obsolescence, if any, as under:

- (a) Raw materials, components, stores and spare parts and packing materials : At lower of cost computed, on FIFO basis and net realizable value
- (b) Work-in-progress - Manufacturing : At lower of cost of materials, plus appropriate production overheads and net realizable value.
- (c) Finished goods – Manufacturing : At lower of cost of materials plus appropriate production overheads/ payable on such goods and net realizable value.
- (d) Finished goods – Trading (others) : At lower of cost computed, on FIFO basis and net realizable value

- (e) Scrap (Reusable) : At cost computed on FIFO basis

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Materials and supplies held for use in the production of inventories are not written down, if the finished goods in which they will be used are expected to be sold at or above cost.

## 5. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, call deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 6. Assets Held for Sale:

Non-current assets comprising of land and buildings are classified as 'held for sale' when all of the following criteria's are met:

- (i) decision has been made to sell;
- (ii) the assets are available for immediate sale in its present condition;
- (iii) the assets are being actively marketed and
- (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated.

## 7. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### i. Financial assets

#### Classification

The Company shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on the basis of its business

model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

#### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Debt instruments

- A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
  - a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit and loss.
- Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

### Equity instruments

The Company subsequently measures all equity investments in companies including equity investments in subsidiaries at cost. Dividends from such investments are recognized in profit and loss as other income when the Company's right to receive payments is established.

### De-recognition

- A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:
  - a) The rights to receive cash flows from the asset have expired, or
  - b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for recognition and measurement of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g. deposits and bank balance;
- b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

### ii. Financial liabilities

#### Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities shall be subsequently measured at fair value.

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or as payables as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

#### Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities

designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

#### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### **Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### **8. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements when an inflow of economic benefit is probable. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

### **9. Revenue recognition**

#### **Sale of goods**

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods is recognized when the significant risks and rewards in respect of ownership of products are transferred by the Company, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods as well



as regarding its ultimate collection. Amounts disclosed as revenue are inclusive of excise duty and net of returns, Trade Discounts, Rebates, incentives, Goods and Service Tax Act / Value added taxes / Central Sales Tax and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

### **Sale of services**

Service income is recognized as per the terms of the contracts / arrangements with the customers on proportionate completion method. When no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and is recognized net of Goods and service tax / Service tax as applicable.

### **Dividend income**

Dividend is recognized as revenue when the right to receive payment has been established.

### **Interest income**

For all interest bearing financial assets measured at amortized cost, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

## **10. Employee benefits**

### **i. Short term employee benefits**

Short term employee benefits consisting of salaries, wages, short-term compensated absences, performance incentives, etc., and the expected cost of bonus, ex-gratia are benefits payable and recognized in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the year as the related service are rendered by the employee.

### **ii. Defined contribution plans**

Company's contribution for the year paid/ payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss.

The Company's contribution towards provident fund, superannuation fund and employee state insurance scheme, employee pension scheme and labour welfare fund for certain eligible employees are considered to be defined contribution plan for which the Company made contribution on monthly basis.

### **iii. Defined benefit plans**

Company's liabilities towards defined benefit plans viz. gratuity which is expected to occur after twelve months, is determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of other comprehensive income in the period of occurrence of such gains and losses for gratuity. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets, if any.

Other long term employee benefits such as compensated absences payable to the employees is provided for in the books of accounts on accrual basis.

### **iv. Termination benefits**

Termination benefits are recognised as an expense in the period in which they are incurred, if any.

## **11. Impairment of non-financial assets**

The carrying amount of the assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less costs of disposal and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. For the purposes of assessing impairment, assets are grouped at their lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Impairment loss is charged to the profit and loss account in the year in which the asset is identified as impaired.

An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized or relates to a change in the estimate of the recoverable amount in the previous periods. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## 12. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or in OCI.

### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted as at the reporting date.

Current tax assets and liabilities are offset only if:

- a) there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and
- b) there is intention either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognized for deductible temporary differences (if any) to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary difference or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax asset can be realized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority on the same taxable entity.

## 13. Operating lease

Assets taken on lease under which substantially all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

## 14. Foreign currency

### (i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

## (ii) Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

## 15. Earnings per share (EPS)

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

## 16. Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

## 17. Segment accounting

### (a) Segment accounting policies:

Segment accounting policies are in line with the accounting policies of the Company. The Company identifies primary business segment based on the different risks and returns, the organisation structure and the internal reporting systems. Secondary segments are identified on the basis

of geography in which sales have been effected. In addition, the following specific accounting policies have been followed for segment reporting:

- 1) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.
- 2) Expenses that are directly identifiable with/ allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- 3) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
- 4) Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Company.
- 5) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

### (b) Inter-segment transfer pricing:

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

## 18. Current vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## Note 2

### Property, Plant & Equipment

(All amounts are in lakhs, except share data and as stated)

| Particulars                         | Gross Block          |               |               |                       |                      | Accumulated Depreciation |                                  |                      |                      | Net Block            |                      |
|-------------------------------------|----------------------|---------------|---------------|-----------------------|----------------------|--------------------------|----------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                     | As at April 01, 2018 | Additions     | Disposals     | Assets held for sales | As at March 31, 2019 | As at April 01, 2018     | Depreciation charge for the year | Deduction / Transfer | As at March 31, 2019 | As at March 31, 2019 | As at March 31, 2018 |
| Freehold Land                       | 5,363.48             | -             | -             | 853.63                | 4,509.85             | -                        | -                                | -                    | -                    | 4,509.85             | 5,363.48             |
| Leasehold land                      | 619.55               | -             | -             | -                     | 619.55               | 22.32                    | 10.87                            | -                    | 33.19                | 586.36               | 597.23               |
| Residential & Office Premises       | 5.00                 | -             | -             | -                     | 5.00                 | 0.19                     | 0.09                             | -                    | 0.28                 | 4.72                 | 4.81                 |
| Office & Godowns                    | 994.26               | -             | 150.00        | 265.32                | 578.94               | 43.18                    | 14.24                            | 10.39                | 47.03                | 531.91               | 951.08               |
| Factory Buildings                   | 3,626.66             | 69.41         | -             | -                     | 3,696.07             | 126.10                   | 68.59                            | -                    | 194.69               | 3,501.38             | 3,500.56             |
| Plant & Machinery                   | 5,582.33             | 495.23        | 80.64         | -                     | 5,996.92             | 1,509.57                 | 847.81                           | 52.20                | 2,305.18             | 3,691.74             | 4,072.76             |
| Dies & Moulds                       | 1,722.07             | 321.45        | 37.16         | -                     | 2,006.36             | 427.52                   | 248.36                           | 6.10                 | 669.78               | 1,336.58             | 1,294.55             |
| Lab Equipments & Instruments        | 29.29                | 9.71          | 0.98          | -                     | 38.02                | 4.92                     | 3.17                             | -                    | 8.09                 | 29.93                | 24.37                |
| Office Equipments & Devices         | 47.35                | 13.92         | 0.18          | -                     | 61.09                | 13.97                    | 8.02                             | -                    | 21.99                | 39.10                | 33.38                |
| Factory Equipments & Devices        | 272.14               | 0.97          | 19.39         | -                     | 253.72               | 61.55                    | 29.75                            | -                    | 91.30                | 162.42               | 210.59               |
| Computers & Peripherals             | 43.25                | 21.73         | -             | -                     | 64.98                | 19.80                    | 11.75                            | -                    | 31.55                | 33.43                | 23.45                |
| Furniture & Fixtures                | 167.86               | 1.59          | 4.80          | -                     | 164.65               | 44.15                    | 20.25                            | 0.23                 | 64.17                | 100.48               | 123.71               |
| Electrical Fittings & Installations | 451.91               | 24.68         | 20.83         | -                     | 455.76               | 138.33                   | 44.76                            | -                    | 183.09               | 272.67               | 313.58               |
| Air condition                       | 7.99                 | 1.91          | -             | -                     | 9.90                 | 3.89                     | 1.86                             | -                    | 5.75                 | 4.15                 | 4.10                 |
| Transformer                         | 50.70                | 19.27         | 3.90          | -                     | 66.07                | 10.33                    | 5.33                             | -                    | 15.66                | 50.41                | 40.37                |
| Vehicles                            | 611.81               | 16.81         | 11.64         | -                     | 616.98               | 160.92                   | 73.33                            | 7.00                 | 227.25               | 389.73               | 450.89               |
| Eot crane                           | 30.25                | -             | 3.03          | -                     | 27.22                | 3.79                     | 2.01                             | -                    | 5.80                 | 21.42                | 26.46                |
| Generator                           | 13.14                | -             | -             | -                     | 13.14                | 3.16                     | 0.54                             | -                    | 3.70                 | 9.44                 | 9.98                 |
| <b>Total</b>                        | <b>19,639.04</b>     | <b>996.68</b> | <b>332.55</b> | <b>1,118.95</b>       | <b>19,184.22</b>     | <b>2,593.69</b>          | <b>1,390.73</b>                  | <b>75.92</b>         | <b>3,908.50</b>      | <b>15,275.72</b>     | <b>17,045.35</b>     |
| Capital Work In Progress            |                      |               |               |                       |                      |                          |                                  |                      |                      | <b>20.66</b>         | <b>30.48</b>         |

### Note 3 Intangible assets

(All amounts are in lakhs, except share data and as stated)

| Particulars       | Gross Block          |           |           |                       |                      | Accumulated Amortization |                                  |                      | Net Block            |                      |                      |
|-------------------|----------------------|-----------|-----------|-----------------------|----------------------|--------------------------|----------------------------------|----------------------|----------------------|----------------------|----------------------|
|                   | As at April 01, 2018 | Additions | Disposals | Assets held for sales | As at March 31, 2019 | As at April 01, 2018     | Amortization charge for the year | Deduction / Transfer | As at March 31, 2019 | As at March 31, 2019 | As at March 31, 2018 |
| Computer software | 7.10                 | -         | -         | -                     | 7.10                 | 2.27                     | 0.98                             | -                    | 3.25                 | 3.85                 | 4.83                 |
| <b>Total</b>      | <b>7.10</b>          | <b>-</b>  | <b>-</b>  | <b>-</b>              | <b>7.10</b>          | <b>2.27</b>              | <b>0.98</b>                      | <b>-</b>             | <b>3.25</b>          | <b>3.85</b>          | <b>4.83</b>          |

### Note 4

#### Investment in subsidiary

| Particulars  | As at March 31, 2019 | As at March 31, 2018 |
|--|----------------------|----------------------|
| <b>Investment in subsidiary carried at amortised cost</b>  |                      |                      |
| 10,000 shares (March 31, 2017: 10,000 and April 01, 2016: Nil) of KML Tradelink Pvt. Ltd. of ₹ 10/- each | 1.00                 | 1.00                 |
| <b>TOTAL</b>   | <b>1.00</b>          | <b>1.00</b>          |

### Note 5

#### Non-current financial assets - Investments

(All amounts are in lakhs, except share data and as stated)

| Particulars   | As at March 31, 2019 | As at March 31, 2018 |
|---|----------------------|----------------------|
| <b>Investment in equity shares at cost</b>  |                      |                      |
| <b>Unquoted, fully paid up</b>  |                      |                      |
| In Government or Trust Securities National Savings Certificate (NSC)  | 0.95                 | 0.95                 |
| 22,453 shares (March 31, 2017: 22,453 and April 01, 2016: 22,453) of The Shamrao Vithal Co-op Bank Ltd of ₹ 25/- each * | 5.61                 | 5.61                 |
| <b>TOTAL</b>  | <b>6.56</b>          | <b>6.56</b>          |

\* Out of the 22,453 number of shares, 2,453 shares are held in the erstwhile name of company Bhagirath Agro Plast Ltd. and Kisan Irrigations Ltd. which had merged with Kisan Mouldings Ltd.

### Note 6

#### Non - current financial assets - others

| Particulars   | As at March 31, 2019 | As at March 31, 2018 |
|---|----------------------|----------------------|
| <b>Other financial assets carried at amortised cost</b> |                      |                      |
| Security Deposits                                       | 83.63                | 97.95                |
| <b>TOTAL</b>  | <b>83.63</b>         | <b>97.95</b>         |

### Note 7

#### Non - current tax assets

| Particulars  | As at March 31, 2019 | As at March 31, 2018 |
|--|----------------------|----------------------|
| Advance for Income Tax (Net of Provision Tax Paid) | 285.10               | 257.98               |
| <b>TOTAL</b>                                       | <b>285.10</b>        | <b>257.98</b>        |

**Note 8**

(All amounts are in lakhs, except share data and as stated)

**Income tax**
**(a) Tax recognised in profit and loss**

| Particulars                                       | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| <b>Current tax charge/(credit)</b>                | -                                    | -                                    |
| <b>Deferred tax charge/(credit), net</b>          |                                      |                                      |
| Origination and reversal of temporary differences | (603.04)                             | (376.91)                             |
| <b>Deferred tax charge/(credit)</b>               | <b>(603.04)</b>                      | <b>(376.91)</b>                      |
| <b>Tax charge/(credit) for the year</b>           | <b>(603.04)</b>                      | <b>(376.91)</b>                      |

**(b) Tax recognised in other comprehensive income**

| Particulars  | For the year ended March 31, 2019  |                             |                                    | For the year ended March 31, 2018  |                             |                                    |
|--|------------------------------------|-----------------------------|------------------------------------|------------------------------------|-----------------------------|------------------------------------|
|  | Before tax<br>(charge) /<br>credit | Tax<br>(charge) /<br>credit | Net of tax<br>(charge) /<br>credit | Before tax<br>(charge) /<br>credit | Tax<br>(charge) /<br>credit | Net of tax<br>(charge) /<br>credit |
| <b>Items that will not be reclassified to profit or loss</b> |                                    |                             |                                    |                                    |                             |                                    |
| Remeasurements of the defined benefit plans                  | 15.40                              | (4.87)                      | 10.53                              | 6.95                               | (2.37)                      | 4.58                               |
| <b>TOTAL</b>   | <b>15.40</b>                       | <b>(4.87)</b>               | <b>10.53</b>                       | <b>6.95</b>                        | <b>(2.37)</b>               | <b>4.58</b>                        |

**(c) Movement in deferred tax assets and liabilities**

| Particulars                                   | Net deferred tax<br>assets/(liabilities)<br>as on<br>April 01, 2017 | Recognised in<br>profit or loss | Recognised<br>in other<br>comprehensive<br>income | Net deferred<br>tax assets/<br>(liabilities)<br>as on<br>April 01, 2018 | Recognised in<br>profit or loss | Recognised<br>in other<br>comprehensive<br>income | Net deferred<br>tax assets/<br>(liabilities)<br>as on<br>March 31, 2019 |
|---|---|---------------------------------|---|---|---------------------------------|---|---|
| <b>Deferred tax asset/(liabilities)</b>       |   |                                 |   |   |                                 |   |   |
| Property, plant and equipment                 | (1,163.90)  | 77.74                           |   | (1,086.16)  | 128.82                          |   | (957.34)  |
| Non current asset held for sale               | 110.89  | (110.89)                        |   | -   | -                               |   | -   |
| Borrowings                                    | (7.86)  | -                               |   | (7.86)  | 0.00                            |   | (7.86)  |
| Provision for doubtful debts                  | 775.04  | -                               |   | 775.04  | 0.00                            |   | 775.04  |
| Expenses allowable for tax purposes when paid | 437.28  | 148.74                          |   | 586.02  | (323.07)                        |   | 262.95  |
| Brought forward losses                        | 1,178.49  | 181.50                          |   | 1,359.99  | 786.66                          |   | 2,146.65  |
| Employee benefits                             | (2.89)  | 75.08                           | 2.37  | 74.56   | 10.62                           | (4.87)  | 80.31   |
| <b>Deferred tax assets/(liabilities)</b>      | <b>1,327.06</b>   | <b>372.17</b>                   | <b>2.37</b>                                       | <b>1,701.60</b>   | <b>603.03</b>                   | <b>(4.87)</b>                                     | <b>2,299.76</b>   |



**Note 9**

(All amounts are in lakhs, except share data and as stated)

**Other non - current assets**

| Particulars                | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|----------------------------|-------------------------|-------------------------|
| Prepaid Expense            | 111.68                  | 243.01                  |
| Balance with Vat Authority | 43.70                   | 283.93                  |
| <b>Total</b>               | <b>155.38</b>           | <b>526.94</b>           |

**Note 10****Inventories**

| Particulars                     | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---------------------------------|-------------------------|-------------------------|
| a) Raw Materials and components | 2,034.19                | 2,056.28                |
| Goods-in transit                | -                       | 28.79                   |
| b) Work-in-progress             | 2,418.62                | 4,259.25                |
| c) Finished goods               | 12,734.29               | 12,039.15               |
| Goods-in transit                | -                       | 100.12                  |
| d) Stock-in-trade               | 362.93                  | 445.06                  |
| e) Stores and spares            | 525.07                  | 743.89                  |
| <b>Total</b>                    | <b>18,075.10</b>        | <b>19,672.54</b>        |

**Note:**

Inventories are valued at cost or net realizable value, whichever is lower.

**Note 11****Trade receivables**

| Particulars                      | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|----------------------------------|-------------------------|-------------------------|
| Unsecured, considered good       | 16,190.62               | 17,113.14               |
| Less:- Allowance for credit loss | (1,640.12)              | (1,834.82)              |
|                                  | <b>14,550.50</b>        | <b>15,278.33</b>        |
| Unsecured, considered doubtful   | 571.70                  | 575.35                  |
| Less:- Allowance for Credit loss | (571.70)                | (575.35)                |
|                                  | <b>0.00</b>             | <b>0.00</b>             |
| <b>Total</b>                     | <b>14,550.50</b>        | <b>15,278.33</b>        |

**Note 12****Cash and cash equivalents**

| Particulars                      | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|----------------------------------|-------------------------|-------------------------|
| <b>Cash and cash equivalents</b> |                         |                         |
| <b>Balances with banks</b>       |                         |                         |
| On current account               | 388.00                  | 354.36                  |
|                                  | <b>388.00</b>           | <b>354.36</b>           |
| Cash on hand                     | 10.45                   | 8.07                    |
| <b>Total</b>                     | <b>398.45</b>           | <b>362.43</b>           |

**Note 13**

(All amounts are in lakhs, except share data and as stated)

**Bank balances other than cash and cash equivalents**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| Deposits with banks (earmarked for electricity/Sales tax/Margin money) | 1,098.73                | 1,089.07                |
| Unclaimed dividend   | 3.69                    | 5.50                    |
| <b>Total</b>   | <b>1,102.42</b>         | <b>1,094.57</b>         |

**Note 14**
**Loans**

| Particulars   | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| <b>Other financial assets carried at amortised cost</b> |                         |                         |
| Loan to employees                                       | 217.83                  | 216.38                  |
| <b>Total</b>  | <b>217.83</b>           | <b>216.38</b>           |

**Note 15**
**Other current financial assets**

| Particulars                                | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| Interest accrued and due on fixed deposits | 4.24                    | 5.37                    |
| Insurance claim receivable                 | 113.20                  | 263.01                  |
| <b>Recoverable in cash from :</b>          |                         |                         |
| - Other than relatives                     | 61.71                   | 48.00                   |
| - Sale of assets                           | 126.16                  | 65.05                   |
| Security Deposits                          | 599.35                  | 595.76                  |
| <b>Total</b>                               | <b>904.66</b>           | <b>977.19</b>           |

**Note 16**
**Other current assets**

| Particulars                            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| Capital advances                       | 351.53                  | 369.31                  |
| Advance/claim recoverable for expenses | 198.44                  | 383.64                  |
| Prepaid expenses                       | 326.21                  | 224.89                  |
| Balance with Excise authority          | 170.65                  | 169.44                  |
| Balance with VAT authority             | 203.38                  | 226.32                  |
| <b>Total</b>                           | <b>1,250.21</b>         | <b>1,373.60</b>         |

**Note 17**
**Assets held for sale**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--------------|-------------------------|-------------------------|
| Land         | 1,165.12                | 312.12                  |
| Building     | 382.07                  | 516.11                  |
| <b>Total</b> | <b>1,547.19</b>         | <b>828.23</b>           |

**Note 18**

(All amounts are in lakhs, except share data and as stated)

**Equity share capital**

| Particulars  | As at March 31, 2019 |          | As at March 31, 2018 |          |
|--|----------------------|----------|----------------------|----------|
|  | No. of Shares        | Amount   | No. of Shares        | Amount   |
| <b>Authorised</b>                                  |                      |          |                      |          |
| Equity shares of ₹ 10/- each                       | 3,50,00,000          | 3,500.00 | 3,50,00,000          | 3,500.00 |
| <b>Issued, Subscribed &amp; Paid up</b>            |                      |          |                      |          |
| <b>Equity shares of ₹ 10/- each fully paid up</b>  |                      |          |                      |          |
| Shares Outstanding as at the beginning of the Year | 3,38,63,065          | 3,386.31 | 2,88,63,065          | 2,886.31 |
| Add: Shares issued during the year                 | -                    | -        | 50,00,000            | 500.00   |
| Shares outstanding as at the end of the year       | 3,38,63,065          | 3,386.31 | 3,38,63,065          | 3,386.31 |

- a) The Company has only one class of equity shares having at par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.
- b) **Details of equity shares held by each shareholders holding more than 5% of total equity shares:**

|  | As at March 31, 2019 |              | As at March 31, 2018 |              |
|--|----------------------|--------------|----------------------|--------------|
|  | No. of Shares held   | % of Holding | No. of Shares held   | % of Holding |
| Polsons Traders LLP [earlier known as Polsons Investment and Finance Pvt Ltd.] | 36,40,046            | 10.75%       | 36,40,046            | 10.75%       |

**Note 19****Other Equity****a) Summary of other equity balances**

| Particular                                 | As at March 31 2019 | As at March 31 2018 |
|--|---------------------|---------------------|
| Securities premium                         | 10,309.89           | 10,309.89           |
| General reserve                            | 366.46              | 366.46              |
| Retained earnings                          | 2,345.67            | 3,317.54            |
| <b>Other Comprehensive Income</b>          |                     |                     |
| Remeasurements of net defined benefit plan | 21.08               | 10.55               |
|  | <b>13,043.10</b>    | <b>14,004.44</b>    |

Refer Statement of Changes in Equity for detailed movement in equity balance.

**b) Nature and purpose of the reserve****Securities Premium**

Securities premium is used to record the premium received on issue of shares. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

**General Reserve**

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

**Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Other Comprehensive Income - Remeasurements of defined benefit plans**

It represents Remeasurements of defined benefit plan i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss.

|                    |                   |                      |        |
|--------------------|-------------------|----------------------|--------|
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**Note 20**

(All amounts are in lakhs, except share data and as stated)

**Non - current financial liabilities - borrowings.**

| Particulars           | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------|-------------------------|-------------------------|
| <b>Secured</b>        |                         |                         |
| Term loans from banks | 6,003.90                | 7,559.91                |
| Vehicle loans         | 115.27                  | 137.22                  |
|                       | <b>6,119.17</b>         | <b>7,697.13</b>         |
| <b>Unsecured</b>      |                         |                         |
| Loans from others     | 296.41                  | 41.46                   |
|                       | <b>296.41</b>           | <b>41.46</b>            |
| <b>Total</b>          | <b>6,415.58</b>         | <b>7,738.59</b>         |

**Additional Information to Secured Long Term Borrowings**

The long term portion of term loans are shown under long term borrowings and the current maturities of the long term borrowings are shown under other Current Liabilities as per disclosure requirements of the Schedule III of the Companies Act, 2013.

**Details Relating to Term Loans**

Secured by way of :-

1. First charge on pari-passu basis on entire fixed assets both present and future of the Company.
2. Second charge on pari-passu basis on current assets of the Company.
3. Personal Guarantee of Mr. Sanjeev A. Aggarwal - Chairman & Managing Director, Mr. Ashok J. Aggarwal, Mr. Satish J. Aggarwal and Mr. Vijay J. Aggarwal.
4. Pledge of 1,39,76,265 Lakhs equity shares held by the following directors/promoter & Promoter group/their relative of the Company on pari-passu basis with working capital bankers.

| Name of the holders                  | Relation                      | No. of the Equity Shares | Name of the holders       | Relation                      | No. of the Equity Shares |
|--------------------------------------|-------------------------------|--------------------------|---------------------------|-------------------------------|--------------------------|
| Polsons Traders LLP                  | Promoter Group Body Corporate | 36,29,246                | Gaurav A. Aggarwal        | Promoter                      | 5,77,974                 |
| Jaival Venture LLP                   | Promoter Group Body Corporate | 15,52,211                | Rishav S. Aggarwal        | WTD & Promoter                | 8,85,953                 |
| Shruti S. Aggarwal                   | Promoter Group                | 1,48,449                 | Amit V. Aggarwal          | Promoter                      | 5,49,171                 |
| Shweta S. Aggarwal                   | Promoter Group                | 1,56,709                 | Rekha S. Aggarwal         | Promoter Group                | 5,94,842                 |
| Sanjeev A. Aggarwal                  | CMD & Promoter                | 12,84,045                | Ashok J. Aggarwal         | Promoter                      | 7,32,597                 |
| Nishi S. Aggarwal                    | Promoter & Director Relative  | 7,84,260                 | Vijay J. Aggarwal [HUF]   | Promoter                      | 58,873                   |
| Vijay J. Aggarwal                    | Promoter                      | 12,17,336                | Neerav Aggarwal           | Promoter & Director Relative  | 7,08,184                 |
| Zitura Investment & Finance Pvt Ltd  | Promoter Group Body Corporate | 93,200                   | Spread Fintrade Ltd.      | Promoter Group Body Corporate | 2,50,524                 |
| Classic Creation Impex Pvt Ltd       | Promoter Group Body Corporate | 40,000                   | Sanjeev A. Aggarwal [HUF] | Promoter                      | 17,190                   |
| Polsons Investment & Finance Pvt Ltd | Promoter Group Body Corporate | 10,800                   | Radhika Aggarwal          | Promoter                      | 5,08,400                 |
| Ashok J. Aggarwal - HUF              | Promoter                      | 1,76,301                 |                           |                               |                          |
| <b>Total - A</b>                     |                               | <b>90,92,557</b>         | <b>Total - B</b>          |                               | <b>48,83,708</b>         |
| <b>Grand Total [A+B]</b>             |                               |                          |                           |                               | <b>1,39,76,265</b>       |

### Terms of repayment

(All amounts are in lakhs, except share data and as stated)

| Bank Name            | Sanction Amount<br>(₹ In lakhs) | Revised Sanction Loan<br>as per Master Restructuring Agreement* | Rate of Interest         | No. of Installment/<br>Term | First Installment Date |
|----------------------|---------------------------------|---|--------------------------|-----------------------------|------------------------|
| The SVC Bank Limited | 250.00                          | **  | PLR - 3.75%              | 72 [Monthly]                | 30-Apr-10              |
| The SVC Bank Limited | 500.00                          | 338.94  | PLR - 5.50%              | 33 [Monthly]                | 31-Jan-17              |
| The SVC Bank Limited | 500.00                          | 486.79  | PLR - 5.50%              | 83 [Monthly]                | 31-Jan-17              |
| IDBI Bank Ltd        | 1,000.00                        | 1,000.00  | BBR + 1.75%              | 36 [Monthly]                | 01-Jan-17              |
| Punjab National Bank | 950.00                          | 418.00  | BR + 1.25% + TP<br>0.5%  | 34 [Monthly]                | 31-Jan-17              |
| ICICI Bank Ltd***    | \$ 74.5 [Million]               | 2,957.00  | PNB BASE RATE<br>+ 1.75% | 96 [Monthly]                | 31-Jan-17              |

\* The Original sanction Term Loan outstanding as on 31/12/2014 is considered for the Debts restructuring with revised terms and conditions.

\*\* Term Loan is not part of the Debts Restructuring pursuant to Master Restructuring Agreement by JLF - Joint Lenders Forum.

\*\*\* The ICICI Bank Original Sanction Loan in Foreign Currency which outstanding \$4.48 million dated on 21.04.15 has been considered for conversion into the India Rupees under the debts restructuring and cover under the same term on first and second charges creation on pari passu basis on entire fixed and current assets of the Company with other members of the Consortium of bank.

### Details Terms of repayment of Working Capital Term Loan.

| Bank Name            | Sanction Amount<br>(₹ In lakhs) | Rate of Interest        | No. of Installment | First Installment Date |
|----------------------|---------------------------------|-------------------------|--------------------|------------------------|
| The SVC Bank Limited | 900.00                          | PLR - 5.50%             | 60 [Monthly]       | 31-Jan-17              |
| Punjab National Bank | 1,200.00                        | BR + 1.25% + TP<br>0.5% | 60 [Monthly]       | 31-Jan-17              |
| Union Bank of India  | 1,000.00                        | 12% Fixed               | 60 [Monthly]       | 01-Jan-17              |
| IDBI Bank Ltd        | 800.00                          | BBR + 1.75%             | 60 [Monthly]       | 01-Jan-17              |
| ICICI Bank Ltd       | 100.00                          | PNB BASE RATE<br>+ .75% | 12 [Monthly]       | 31-Jan-17              |

### Details Terms of repayment of Funded Interest on Term Loan & Working Capital Term Loan.

| Bank Name            | Sanction Amount<br>(₹ In lakhs) | Rate of Interest         | No. of Installment | First Installment Date |
|----------------------|---------------------------------|--------------------------|--------------------|------------------------|
| The SVC Bank Limited | 135.00                          | PLR - 6.50%              | 48 [Monthly]       | 31-Jan-17              |
| The SVC Bank Limited | 18.55                           | PLR - 6.50%              | 48 [Monthly]       | 31-Jan-17              |
| The SVC Bank Limited | 50.81                           | PLR - 6.50%              | 48 [Monthly]       | 31-Jan-17              |
| The SVC Bank Limited | 72.98                           | PLR - 6.50%              | 48 [Monthly]       | 31-Jan-17              |
| Punjab National Bank | 319.00                          | BR + 0.25% + TP<br>0.5%  | 48 [Monthly]       | 31-Jan-17              |
| Union Bank of India  | 40.00                           | 11.00%                   | 48 [Monthly]       | 01-Jan-17              |
| IDBI Bank Ltd        | 270.00                          | BBR + 0.75%              | 48 [Monthly]       | 01-Jan-17              |
| Union Bank of India  | 150.00                          | 11.00%                   | 48 [Monthly]       | 01-Jan-17              |
| ICICI Bank Ltd       | 444.00                          | PNB BASE RATE +<br>0.75% | 48 [Monthly]       | 31-Jan-17              |
| ICICI Bank Ltd       | 15.00                           | PNB BASE RATE +<br>0.75% | 48 [Monthly]       | 31-Jan-17              |

**Note 21**

(All amounts are in lakhs, except share data and as stated)

**Non - current financial liabilities - others**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Other financial liabilities carried at amortised cost</b> |                         |                         |
| Sundry Deposits  | 347.32                  | 311.59                  |
| <b>Total</b>   | <b>347.32</b>           | <b>311.59</b>           |

**Note 22**
**Non - current provisions**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Provision for employee benefits (Refer note 41)</b> |                         |                         |
| Gratuity   | 226.72                  | 183.45                  |
| <b>Total</b>   | <b>226.72</b>           | <b>183.45</b>           |

**Note 23**
**Current financial liabilities - borrowings**

| Particulars                       | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------------------|-------------------------|-------------------------|
| <b>Secured</b>                    |                         |                         |
| <b>Working Capital Loans :</b>    |                         |                         |
| From Banks (Cash credit accounts) | 12,105.88               | 11,503.01               |
| <b>Total</b>                      | <b>12,105.88</b>        | <b>11,503.01</b>        |

**Note 24**
**Current financial liabilities - Trade payables**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Trade payables</b>  |                         |                         |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 13,258.53               | 15,224.05               |
| <b>Total</b>   | <b>13,258.53</b>        | <b>15,224.05</b>        |

Trade payables include dues from private companies in which any director is a partner, director or a member is ₹ 59.80 lakhs (31 March 2018: 40.37; 01 April 2017: Nil)

**Note 25**
**Current - Other financial liabilities**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Other financial liabilities carried at amortised cost</b> |                         |                         |
| <b>Current maturities of long-term debt:-</b>                |                         |                         |
| Term Loans   | 1,569.36                | 1,732.00                |
| Vehicle Loans  | 67.58                   | 96.85                   |
| Other payable for Expenses                                   | 1,433.72                | 1,228.52                |
| Payable towards Property, Plant & Equipment                  | 227.98                  | 399.56                  |
| Unclaimed dividends  | 3.69                    | 5.50                    |
| <b>Unsecured</b>   |                         |                         |
| Loans from others - ICD                                      | 524.93                  | 562.34                  |
| <b>Total</b>   | <b>3,827.26</b>         | <b>4,024.77</b>         |



**Note 26**

(All amounts are in lakhs, except share data and as stated)

**Other current liabilities**

| Particulars            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------|-------------------------|-------------------------|
| Advance from customers | 1,003.01                | 960.13                  |
| Statutory dues         | 1,294.96                | 839.48                  |
| <b>Total</b>           | <b>2,297.97</b>         | <b>1,799.61</b>         |

**Note 27****Current Provisions**

| Particulars                            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Provision for employee benefits</b> |                         |                         |
| Salary & Reimbursement                 | 471.43                  | 403.69                  |
| Gratuity                               | 46.30                   | 47.19                   |
|  | <b>517.73</b>           | <b>450.88</b>           |
| <b>Other provisions</b>                |                         |                         |
| Provision for expenses                 | 464.10                  | 596.58                  |
| Provision for excise                   | -                       | -                       |
|  | <b>464.10</b>           | <b>596.58</b>           |
| <b>Total</b>                           | <b>981.83</b>           | <b>1,047.46</b>         |

**Note 28****Liabilities directly associated with assets classified as held for sale**

| Particulars   | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| Liabilities directly associated with assets classified as held for sale | 287.53                  | 252.70                  |
| <b>Total</b>  | <b>287.53</b>           | <b>252.70</b>           |

**Note 29****Revenue from operations**

| Particulars                     | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---------------------------------|--------------------------------------|--------------------------------------|
| <b>Sale of products</b>         |                                      |                                      |
| a) Manufactured goods           | 42,504.16                            | 40,507.97                            |
| b) Traded goods                 | 6,253.82                             | 7,394.72                             |
| <b>Other operating revenues</b> |                                      |                                      |
| Insurance Claim                 | -                                    | 221.92                               |
| Sales-Scrap                     | 106.72                               | 48.00                                |
| Sales -Other than empty bags    | 165.30                               | 44.74                                |
| <b>Total</b>                    | <b>49,030.00</b>                     | <b>48,217.35</b>                     |

### Note 30

(All amounts are in lakhs, except share data and as stated)

#### Other income

| Particulars                               | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Liability no longer required written back | 29.48                                | 272.99                               |
| Provision for doubtful debts reversed     | -                                    | 122.65                               |
| Rent income                               | 25.20                                | 58.20                                |
| Profit on sale of assets                  | -                                    | 47.49                                |
| Recovery on sales & service               | 13.36                                | 16.02                                |
| Job work income                           | 18.05                                | 7.79                                 |
| Other miscellaneous income                | 22.08                                | 5.61                                 |
| Foreign currency gain                     | -                                    | 2.73                                 |
| Dividend income                           | 0.60                                 | 0.60                                 |
| Interest income - Other                   | 14.87                                | -                                    |
| <b>Total</b>                              | <b>123.64</b>                        | <b>534.08</b>                        |

### Note 31

#### Cost of material consumed

| Particulars                           | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Opening stock of raw materials        | 2,085.08                             | 1,315.18                             |
| Add: Purchases of raw materials       |                                      |                                      |
| Resins & chemical                     | 27,919.09                            | 30,739.06                            |
| Carriage inwards                      | 314.40                               | 534.23                               |
| Less:- Closing stock of raw materials | 2,034.19                             | 2,085.08                             |
| <b>Total</b>                          | <b>28,284.38</b>                     | <b>30,503.39</b>                     |

### Note 32

#### Purchase of stock-in-trade

| Particulars                | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|----------------------------|--------------------------------------|--------------------------------------|
| Purchase of stock-in-trade | 5,679.29                             | 7,029.26                             |
| <b>Total</b>               | <b>5,679.29</b>                      | <b>7,029.26</b>                      |

### Note 33

#### Changes in inventories of finished goods, work-in-progress and stock-in-trade

| Particulars                               | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| <b>Opening Inventories</b>                |                                      |                                      |
| Finished goods                            | 12,139.27                            | 8,464.48                             |
| Stock in trade                            | 445.06                               | 434.80                               |
| Work-in-progress                          | 4,259.25                             | 3,947.42                             |
|   | <b>16,843.58</b>                     | <b>12,846.70</b>                     |
| <b>Closing Inventories</b>                |                                      |                                      |
| Finished goods                            | 12,734.29                            | 12,139.27                            |
| Stock in trade                            | 362.93                               | 445.06                               |
| Work-in-progress                          | 2,418.62                             | 4,259.25                             |
|   | 15,515.84                            | 16,843.58                            |
| Provision for Excise /Excise Credit Taken |                                      | (516.01)                             |
| <b>Total</b>                              | <b>1,327.74</b>                      | <b>(4,512.89)</b>                    |

**Note 34**

(All amounts are in lakhs, except share data and as stated)

**Excise duty**

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--------------|--------------------------------------|--------------------------------------|
| Excise duty  | -                                    | 857.34                               |
| <b>Total</b> | <b>-</b>                             | <b>857.34</b>                        |

**Note 35****Employee benefit expenses**

| Particulars                               | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Salaries and wages                        | 1,626.50                             | 1,541.69                             |
| Staff welfare expenses                    | 122.40                               | 150.33                               |
| Contribution to provident and other funds | 82.92                                | 126.32                               |
| Directors remuneration                    | 65.70                                | 106.30                               |
| Gratuity fund contributions               | 70.18                                | 87.79                                |
| <b>Total</b>                              | <b>1,967.70</b>                      | <b>2,012.43</b>                      |

**Details of remuneration paid to Directors is as under:**

| Name of Director & Designation                     | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Sanjeev A. Aggarwal - Chairman & Managing Director | 84.00                                | 84.00                                |
| Rishav S. Aggarwal - Whole Time Director           | (18.30)                              | 18.30                                |
| Ashok J. Aggarwal - Whole Time Director            |                                      | 4.00                                 |
| <b>Total</b>                                       | <b>65.70</b>                         | <b>106.30</b>                        |

- Note:** 1) Mr. Ashok Aggarwal, Whole-time Director of the Company has resigned w.e.f. May 29, 2017.  
 2) Remuneration of ₹ 18.30 Lakhs for F.Y. 2017-2018 paid to Mr. Rishav Aggarwal refunded to the Company during current financial Year 2018-19.

**Note 36****Finance cost**

| Particulars                    | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--------------------------------|--------------------------------------|--------------------------------------|
| Interest expense               |                                      |                                      |
| On Borrowing                   | 999.82                               | 1,209.10                             |
| On working capital facility    | 1,395.36                             | 1,359.42                             |
| On purchase                    | 733.56                               | 916.91                               |
| On vehicle loan                | 20.89                                | 24.25                                |
| Bank charges & processing fees | 111.99                               | 77.45                                |
| Foreign exchange fluctuation   | (0.31)                               | -                                    |
| <b>Total</b>                   | <b>3,261.31</b>                      | <b>3,587.13</b>                      |

**Note 37**

(All amounts are in lakhs, except share data and as stated)

**Other expenses**

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>MANUFACTURING EXPENSES</b>                              |                                      |                                      |
| Labor cost   | 1,853.23                             | 1,998.11                             |
| Power and fuel   | 1,841.18                             | 1,582.99                             |
| Consumption of packing material                            | 612.72                               | 602.88                               |
| Consumption of stores and spare parts                      | 459.33                               | 332.98                               |
| <b>Repair &amp; Maintenance</b>                            |                                      |                                      |
| - Plant & Machinery  | 153.45                               | 137.18                               |
| - Buildings  | 38.16                                | 38.23                                |
| Security expenses  | 83.11                                | 79.26                                |
| Laboratory expenses  | 46.01                                | 40.22                                |
| Insurance- Plant & Machinery                               | 18.49                                | 10.32                                |
| License & Renewal charges                                  | 25.93                                | 10.04                                |
| Factory expenses   | 12.92                                | 3.30                                 |
| <b>Total - A</b>   | <b>5,144.53</b>                      | <b>4,835.52</b>                      |
| <b>ADMINISTRATIVE, SELLING &amp; DISTRIBUTION EXPENSES</b> |                                      |                                      |
| Cartage outwards   | 1,417.33                             | 1,353.94                             |
| Travelling & Conveyance expenses                           | 393.60                               | 426.01                               |
| Sales promotion expenses                                   | 286.95                               | 306.82                               |
| Advertisement expenses                                     | 444.48                               | 217.18                               |
| Legal and Professional                                     | 185.40                               | 206.77                               |
| Commission & Brokerage                                     | 178.21                               | 198.60                               |
| Rates and Taxes  | 156.96                               | 171.92                               |
| Loading & Unloading  | 132.22                               | 143.05                               |
| General expenses   | 54.82                                | 70.74                                |
| Rent   | 106.15                               | 70.14                                |
| Telephone & Postage  | 43.17                                | 52.29                                |
| Printing & Stationery                                      | 24.52                                | 36.82                                |
| <b>Repair &amp; Maintenance</b>                            |                                      |                                      |
| - Office   | 9.55                                 | 34.40                                |
| - Motor car  | 12.24                                | 16.14                                |
| Electricity charges  | 22.16                                | 22.52                                |
| Insurance - Other  | 30.86                                | 20.76                                |
| Security expenses other than plant                         | 12.28                                | 14.99                                |
| Auditor's Remuneration                                     |                                      |                                      |
| - Audit fees   | 10                                   | 10                                   |
| - Tax Audit fees   | 2                                    | 2                                    |
| Other Expenses   | 0.15                                 | 0.69                                 |
| Postage & Courier expenses                                 | 9.97                                 | 9.74                                 |
| Charity & Donation   | 2.18                                 | 4.35                                 |
| Membership & Subscription                                  | 0.06                                 | 0.95                                 |
| Books & Periodical   | 0.10                                 | 0.19                                 |
| Provision For doubtful debts                               | -                                    | -                                    |
| Sundry balance written off                                 | 3.32                                 | 0.00                                 |
| Loss on sale of fixed assets                               | 133.21                               | -                                    |
| <b>Total - B</b>   | <b>3,671.89</b>                      | <b>3,391.03</b>                      |
| <b>Total (A+B)</b>   | <b>8,816.42</b>                      | <b>8,226.55</b>                      |

(All amounts are in lakhs, except share data and as stated)

### Note 38

#### Earnings per share

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Profit / (loss) attributable to equity share holders of the Company  | (971.87)                             | 11.58                                |
| <b>Reconciliation of number of shares</b>                            | <b>No. of Shares</b>                 | <b>No. of Shares</b>                 |
| Weighted average number of shares in calculating Basic & Diluted EPS | 3,38,63,065                          | 3,11,18,216                          |
| <b>Earnings per share (face value ₹ 10/- each)</b>                   |                                      |                                      |
| Earnings per share - Basic in Rupees                                 | <b>(2.87)</b>                        | <b>0.04</b>                          |
| Earnings per share - Diluted in Rupees                               | <b>(2.87)</b>                        | <b>0.04</b>                          |

### Note 39

#### Leases

##### As Lessee:

##### a) Operating Lease:

The Company has taken office premises on operating lease which are cancellable. These leave and license agreements for the office premises are generally for a period not exceeding one year and are in most cases renewable by mutual consent, on mutually agreeable terms. There are no restrictions imposed by lease arrangements or any contingent rents payable. There are no subleases.

##### b) Finance lease:

The company has entered into long-term leasing arrangements for land with government authorities which are in the nature of finance lease. These arrangements do not involve any material recurring payments, hence other disclosures are not given.

### Note 40

#### Related Party Disclosure

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

##### a) Subsidiary Company

KML Tradelinks Private Limited

##### b) Entities in where control/significant influence by director, KMPs and their relative and with whom transaction has taken place

Reliance Industrial Product  
Zitura Investment & Finance Pvt Ltd  
Ladderup Finance Ltd

##### c) Key Managerial Personnel

Sanjeev A. Aggarwal - Chairman & Managing Director  
Rishav S. Aggarwal - Whole time Director

##### d) Relatives of Key managerial personnel

Nishi Sanjeev Aggarwal  
Neerav Sanjeev Aggarwal

##### e) Non Executive Directors

Anjana Motwani  
Sunil Goyal  
Praveen Kumar Tripathi  
H. S. Upendra Kamath  
Urvashi Dharadhar

\*Note: 1. Ms. Anjana Motwani Independent Director of the Company has resigned from the directorship w.e.f. August 10, 2018.  
\*2: Mrs. Urvashi Dharadhar was appointed as Additional Director [Independent] of the Company w.e.f November 14, 2018.

|                    |                   |                      |        |
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(All amounts are in lakhs, except share data and as stated)

| <b>f) Transactions with related parties during the year</b>             | <b>For the year ended<br/>March 31, 2019</b> | <b>For the year ended<br/>March 31, 2018</b> |
|---|--|--|
| <b>i) Directors remuneration</b>  |  |  |
| Key Managerial Personnel  | 84.00  | 106.30                                       |
| <b>ii) Sitting fees</b>   |  |  |
| Non-Executive Director  | 2.45   | 2.50   |
| <b>iii) Salary</b>  |  |  |
| Relatives of key managerial personnel                                   | 16.08  | 12.66  |
| <b>iv) Rent Received</b>  |  |  |
| Subsidiary  | 1.20   | 3.24   |
| <b>v) Investment</b>  |  |  |
| Subsidiary  | -  | -  |
| <b>vi) Loans and advances</b>   |  |  |
| Entites where control/significant influence by Director                 | -  | 7.50   |
| <b>vii) Other expenses</b>  |  |  |
| Re-imbursement of expenses to Non-Executive Director                    | 0.10   | 0.28   |
| Entites where control/significant influence by Director [Rent]          | 42.00  | 9.00   |
| <b>viii) Income</b>   |  |  |
| Subsidiary  | 7.78   | 16.11  |
| <b>ix) Sale Transaction</b>   |  |  |
| Subsidiary  | 12.66  | 272.57                                       |
| <b>x) Purchase Transaction</b>  |  |  |
| Subsidiary  | 163.37                                       | 54.73  |
| <b>g) Related party balances</b>  | <b>As at<br/>March 31, 2019</b>              | <b>As at<br/>March 31, 2018</b>              |
| <b>i) Directors remuneration payable*</b>                               |  |  |
| Key managerial personnel  | 0.28   | 9.50   |
| <b>ii) Sitting Fees payable</b>   |  |  |
| Non Executive Director  | -  | 2.30   |
| <b>iii) Salary payable</b>  |  |  |
| Relatives of key managerial personnel                                   | 2.82   | 1.27   |
| <b>iv) Investment</b>   |  |  |
| Subsidiary  | 1.00   | 1.00   |
| <b>v) Trade/Deposit / Loan Receivables</b>                              |  |  |
| Subsidiary  | 13.28  | 46.96  |
| Entites where control / significant influence by Director - Rent        | 35.66  | 65.05  |
| Entites where control / significant influence by Director -Rent Deposit | 350.00                                       | 347.65                                       |
| <b>vi) Trade/Expenses/Loan payables</b>                                 |  |  |
| Subsidiary  | 59.80  | 50.49  |
| Entites where control/significant influence by Director                 | 273.79                                       | 7.50   |
| Key managerial Personnel  | 5.92   | 5.92   |

\*As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

#### **Note 41** **Employee benefits**

##### **(A) Defined benefit plans**

Gratuity liability is provided in accordance with the provisions of the Payment of Gratuity Act, 1972 based on actuarial valuation. The plan provides a lump sum gratuity payment to eligible employee at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.



(All amounts are in lakhs, except share data and as stated)

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:-

| Particulars   | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
|   | Gratuity (Funded)                    |                                      |
| <b>I Expenses recognised in profit or loss:-</b>                      |                                      |                                      |
| 1 Current Service Cost  | 47.19                                | 42.93                                |
| 2 Interest cost   | 15.74                                | 11.48                                |
| 3 Past Service Cost   | -                                    | -                                    |
| <b>Total Expenses</b>   | <b>62.92</b>                         | <b>54.42</b>                         |
| <b>II Expenses recognised in Other Comprehensive Income</b>           |                                      |                                      |
| 1 Actuarial changes arising from changes in demographic assumptions   | -                                    | -                                    |
| 2 Actuarial changes arising from changes in financial assumptions     | 3.33                                 | (10.85)                              |
| 3 Actuarial changes arising from changes in experience adjustments    | (18.69)                              | 3.13                                 |
| 4 Return on plan assets excluding amounts included in interest income | (0.04)                               | 0.78                                 |
| <b>Total Expenses</b>   | <b>(15.39)</b>                       | <b>(6.95)</b>                        |
| <b>III Reconciliation of defined benefit obligation</b>               |                                      |                                      |
| Defined Obligations at the beginning of the year                      | 275.06                               | 240.87                               |
| Current Service Cost  | 47.19                                | 42.93                                |
| Interest cost   | 19.37                                | 15.76                                |
| Actuarial changes arising from changes in financial assumptions       | 3.33                                 | (10.85)                              |
| Actuarial changes arising from changes in experience adjustments      | (18.69)                              | 3.13                                 |
| Benefit paid  | (24.04)                              | (16.77)                              |
| <b>Net asset / (liability) at the end of the year</b>                 | <b>302.22</b>                        | <b>275.06</b>                        |
| <b>IV Reconciliation of plan assets</b>                               |                                      |                                      |
| Opening value of plan assets  | 44.41                                | 57.68                                |
| Interest Income   | 3.64                                 | 4.28                                 |
| Return on plan assets excluding amounts included in interest income   | 0.04                                 | (0.78)                               |
| Contributions by employer   | 5.25                                 | -                                    |
| Benefits paid   | (24.04)                              | (16.77)                              |
| <b>Closing value of plan assets</b>                                   | <b>29.19</b>                         | <b>44.41</b>                         |

(Plan assets comprise 100% of insurance policies)

| Particulars   | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| <b>V Quantitative sensitivity analysis for significant assumptions is as below:</b>         |                         |                         |
| 1 Increase/(decrease) on present value of defined benefit obligation at the end of the year |                         |                         |
| (i) 0.5 percent point increase in discount rate   | 291.39                  | 264.97                  |
| (ii) 0.5 percent point decrease in discount rate  | (313.85)                | (285.91)                |
| (iii) 0.5 percent point increase in rate of salary increase                                 | 313.49                  | 285.97                  |
| (iv) 0.5 percent point decrease in rate of salary increase                                  | (291.47)                | (265.11)                |
| (v) 10 percent point increase in withdrawal rate  | 303.47                  | 276.82                  |
| (vi) 10 percent point decrease in withdrawal rate   | (300.77)                | (273.08)                |

## 2 Sensitivity analysis method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

(All amounts are in lakhs, except share data and as stated)

| Particulars   | As at<br>March 31, 2019                                    | As at<br>March 31, 2018                                    |
|---|--|--|
| <b>VI The expected future cash flows were as follows:</b>               |  |  |
| 1st following year  | 45.67  | 40.28  |
| 2nd following year  | 29.85  | 21.01  |
| 3rd following year  | 25.23  | 22.00  |
| 4th following year  | 29.32  | 31.09  |
| 5th following year  | 27.97  | 23.48  |
| Years 6 to 10   | 117.54   | 117.02   |
| <b>Particulars</b>  | <b>As at<br/>March 31, 2019</b>                            | <b>As at<br/>March 31, 2018</b>                            |
| <b>VII Net Asset / (Liability) recognised as at balance sheet date:</b> |  |  |
| 1 Present value of defined benefit obligation                           | 302.22   | 275.06   |
| 2 Fair value of plan assets   | 29.19  | 44.41  |
| 3 Net Asset /(Liability)  | (273.04)   | (230.66)   |
| <b>VIII Actuarial Assumptions:</b>                                      |  |  |
| 1 Discount rate   | 7.45%  | 7.60%  |
| 2 Expected rate of salary increase                                      | 6.00%  | 6.00%  |
| 3 Withdrawal rate   | 7.00%  | 7.00%  |
| 4 Mortality   | Indian Assured<br>Lives Mortality<br>(2006-08)<br>Ultimate | Indian Assured<br>Lives Mortality<br>(2006-08)<br>Ultimate |

**Notes:**

- a) Amount recognised as an expense in the Statement of Profit and Loss and included in Note 35 under “Employee benefit expenses” : Gratuity ₹ 70.18 lakhs (Previous year - ₹ 87.79 lakhs).
- b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- c) The plan above is typically exposed to actuarial risk such as interest risk, mortality risk and salary risk
  - a) Interest risk: The decrease in the bond interest rate will increase the liability.
  - b) Mortality risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
  - c) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**(B) Defined contribution plan -**

The Company makes contributions towards provident fund and other funds which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Amount recognised as an expense in the Statement of Profit and Loss - included in Note 35 - “Contribution to provident and other funds” ₹ 82.92 lakhs (Previous year - ₹ 126.32 lakhs).

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(All amounts are in lakhs, except share data and as stated)

**Note 42****Financial Instruments - Fair Value**

- Carrying value of financial assets and financial liabilities, are presented below.
- It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| As at March 31, 2019                                | Carrying Value   |                  |
|---|------------------|------------------|
|   | Amortised Cost   | Total            |
| <b>Financial Assets</b>                             |                  |                  |
| Other Non Current Investments                       | 6.56             | 6.56             |
| Security deposits                                   | 682.98           | 682.98           |
| Loans to employees                                  | 217.83           | 217.83           |
| Trade receivables                                   | 14,550.50        | 14,550.50        |
| Cash and cash equivalents                           | 398.45           | 398.45           |
| Bank balance (other than Cash and cash equivalents) | 1,102.42         | 1,102.42         |
| Other Current Financial Asset                       | 305.31           | 305.31           |
| <b>Total</b>  | <b>17,264.05</b> | <b>17,264.05</b> |
| <b>Particulars</b>                                  |                  |                  |
| Borrowings  | 18,521.46        | 18,521.46        |
| Deposits  | 347.32           | 347.32           |
| Trade payables                                      | 13,258.53        | 13,258.53        |
| Other financial liabilities                         | 3,827.26         | 3,827.26         |
| <b>Total</b>  | <b>35,954.57</b> | <b>35,954.57</b> |

| As at March 31, 2018                                | Carrying Value   |                  |
|---|------------------|------------------|
|   | Amortised Cost   | Total            |
| <b>Financial Assets</b>                             |                  |                  |
| Other Non Current Investments                       | 6.56             | 6.56             |
| Security deposits                                   | 693.71           | 693.71           |
| Loans to Employees                                  | 216.38           | 216.38           |
| Trade receivables                                   | 15,278.33        | 15,278.33        |
| Cash and cash equivalents                           | 362.43           | 362.43           |
| Bank balance (other than Cash and cash equivalents) | 1,094.57         | 1,094.57         |
| Other Current Financial Asset                       | 381.43           | 381.43           |
| <b>Total</b>  | <b>18,033.41</b> | <b>18,033.41</b> |
| <b>Particulars</b>                                  |                  |                  |
| Borrowings  | 19,241.60        | 19,241.60        |
| Deposits  | 311.59           | 311.59           |
| Trade payables                                      | 15,224.05        | 15,224.05        |
| Other financial liabilities                         | 4,024.77         | 4,024.77         |
| <b>Total</b>  | <b>38,802.01</b> | <b>38,802.01</b> |

(All amounts are in lakhs, except share data and as stated)

#### Note 43

#### Financial risk management

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

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

#### Risk management framework

"The Company's Risk Management Framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks in achieving key business objectives. The Company has laid down the procedure for risk assessment and their mitigation through an Audit Committee. Key risks and their mitigation arising out of periodic reviews by the Committee are assessed and reported to the Board of Directors of the Company, on a periodic basis. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to policies and procedures.

The Company has an independent Internal Audit and assurance team. There is a practice of reviewing various key select risks and report to Audit Committee from time to time. The Company, has also, during the year, has adopted a co-sourced model for internal audit. The internal audit team carry out internal audit reviews in accordance with the approved internal audit plan. Internal audit team reviews the status of implementation of internal audit recommendations. Summary of Critical observations if any and recommendations under implementation are reported to the Audit Committee."

#### i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and cash and cash equivalents. The Company makes provision on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

#### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has a detailed review mechanism of overdue trade receivables at various levels in the organisation to ensure proper attention and focus on realisation.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows :-

| Particulars            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------|-------------------------|-------------------------|
| Not past due           | 5,981.18                | 5,517.67                |
| Past due 1-360 days    | 4,583.55                | 6,253.40                |
| Past due 361- 720 days | 851.84                  | 839.29                  |
| more than 720 days     | 3,133.94                | 2,667.98                |
| <b>Total</b>           | <b>14,550.50</b>        | <b>15,278.34</b>        |

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows :-

| Particulars             | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-------------------------|-------------------------|-------------------------|
| Opening Balance         | 2,211.82                | 2,423.37                |
| Changes during the year | -                       | (211.55)                |
| Closing Balance         | <b>2,211.82</b>         | <b>2,211.82</b>         |

#### Cash and cash equivalents

The Company held cash and cash equivalents and bank deposits with banks. The credit worthiness of such banks are evaluated by the management on an on-going basis and is considered to be good.

#### Others

Other than trade receivables reported above , the Company has no other financial assets that is past due but not impaired.

(All amounts are in lakhs, except share data and as stated)

## ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities. The Company monitors the net liquidity position through forecasts on the basis of expected cash flows.

The Company has obtained fund and non-fund based working capital lines from various banks.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

### Contractual cash flows

| As at March 31, 2019  | Carrying amt.    | Total            | 0-12 months      | 1- 5 years      | More than 5 years |
|---|------------------|------------------|------------------|-----------------|-------------------|
| <b>Non-derivative financial liabilities</b>                       |                  |                  |                  |                 |                   |
| Term loans from banks/Financial Institutions (including interest) | 7,573.26         | 9,369.17         | 2,380.63         | 6,704.07        | 284.47            |
| Vehicle loan  | 182.85           | 279.87           | 86.08            | 193.79          | -                 |
| Working capital loans from banks                                  | 12,105.88        | 12,105.88        | 12,105.88        | -               | -                 |
| Trade payables and Other Current Financial Liabilities            | 17,373.32        | 17,373.32        | 17,373.32        | -               | -                 |
|   | <b>37,235.31</b> | <b>39,128.25</b> | <b>31,945.92</b> | <b>6,897.87</b> | <b>284.46</b>     |

| As at March 31, 2018  | Carrying amt.    | Total            | 0-12 months      | 1- 5 years      | More than 5 years |
|---|------------------|------------------|------------------|-----------------|-------------------|
| <b>Non-derivative financial liabilities</b>                       |                  |                  |                  |                 |                   |
| Term loans from banks/Financial Institutions (including interest) | 9,291.91         | 12,102.65        | 2,733.48         | 8,584.28        | 784.89            |
| Vehicle loan  | 234.07           | 382.63           | 102.76           | 279.25          | 0.62              |
| Working capital loans from banks                                  | 11,503.01        | 11,503.01        | 11,503.01        | -               | -                 |
| Trade payables and Other Current Financial Liabilities            | 19,501.52        | 19,501.52        | 19,501.52        | -               | -                 |
|   | <b>40,530.50</b> | <b>43,489.80</b> | <b>33,840.77</b> | <b>8,863.51</b> | <b>785.52</b>     |

## iii. Interest rate risk

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

### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows

| Particulars               | Nominal amount       |                      |
|---------------------------|----------------------|----------------------|
|                           | As at March 31, 2019 | As at March 31, 2018 |
| Variable-rate instruments |                      |                      |
| Financial liabilities     | 11,390.70            | 20,825.24            |
|                           | <b>11,390.70</b>     | <b>20,825.24</b>     |
| Fixed-rate instruments    |                      |                      |
| Financial liabilities     | 1,062.50             | 1,119.14             |
| Financial asset           | 682.98               | 693.72               |
|                           | <b>1,745.48</b>      | <b>1,812.86</b>      |

(All amounts are in lakhs, except share data and as stated)

#### Interest rate sensitivity - fixed rate instruments.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss for any of these fixed interest bearing financial instruments.

#### Interest rate sensitivity - variable rate instruments.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

| Variable-rate instruments | Impact on Profit/ (loss)- Increase / (Decrease) in Profit |                                   |
|---------------------------|---|-----------------------------------|
| Particulars               | For the year ended March 31, 2019                         | For the year ended March 31, 2018 |
| 100 bp increase           | (113.91)  | (208.25)                          |
| 100 bp decrease           | 113.91  | 208.25                            |

#### iv. Market risk :-

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other prices such as equity price. These will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Financial instruments affected by market risk include loans, borrowings and deposits. The Market risk which the Company is exposed can be classified as Currency risk and Interest rate risk.

#### v. Currency risk :-

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

| Particulars    | Currency | As at March 31, 2019       |               |            | As at March 31, 2018       |               |            |
|----------------|----------|----------------------------|---------------|------------|----------------------------|---------------|------------|
|                |          | Amount in Foreign Currency | Exchange Rate | ₹ in lakhs | Amount in Foreign Currency | Exchange Rate | ₹ in lakhs |
| Trade Payables | USD      | NIL                        |               |            | 64,639                     | 65.29         | 42.20      |

#### Note 44

##### Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company. The Company determines the amount of capital required on the basis of annual and long-term strategic plans. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of 'adjusted net debt' to 'adjusted equity'. For this purpose adjusted net debt is defined as total liabilities comprising interest bearing loans and borrowings and obligations under finance lease, less cash and cash equivalents, Bank balance and current investments. Adjusted equity comprises Equity attributable to the shareholders of the Company (other than amounts accumulated in the hedging reserve, if any.)

The following table summarizes the capital of the Company:

| Particular  | As at March 31, 2019 | As at March 31, 2018 |
|---|----------------------|----------------------|
| Total Borrowings (including accrued interest)                         | 20,158.40            | 21,070.45            |
| Less : Cash and cash equivalents, Bank balance and Current investment | 1,507.43             | 1,463.56             |
| <b>Adjusted net debt</b>  | <b>18,650.97</b>     | <b>19,606.89</b>     |
| <b>Adjusted equity</b>  | <b>16,429.41</b>     | <b>17,390.75</b>     |
| Adjusted net debt to adjusted equity ratio                            | 1.14                 | 1.13                 |



(All amounts are in lakhs, except share data and as stated)

**Note 45****Contingent Liabilities and Commitments (to the extent not provided for)**

| Particular  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| <b>Contingent Liabilities</b>                                       |                         |                         |
| Sales tax Liabilities   | 5,835.68                | 8,635.40                |
| Guarantees given by Banks and Financial Institutions against Export | 628.18                  | 618.95                  |

As per our attached report of even date

**For ADV & Associates**Chartered Accountants  
Firm Registration No. 128045W**Prakash Mandhaniya**Partner  
Membership No. 421679

Date:- May 21, 2019

Place:- Mumbai

**For and on behalf of the Board of Directors of,  
Kisan Mouldings Limited.****Sanjeev A. Aggarwal**  
DIN: 00064076**Chairman & Managing Director****Rishav S. Aggarwal**  
DIN: 05155607**Whole Time Director****Dharak A. Mehta**  
ICSI M.No. 40502**Company Secretary**

# Independent Auditor's Report

To The Members of **KISAN MOULDINGS LIMITED**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **KISAN MOULDINGS LIMITED** ("the Group"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the 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, 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 (IND-AS) prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit & Loss statement and its cash flows for the year ended on that date.

### Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated 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 independence 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 we have obtained is sufficient and appropriate to provide a basis for our 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 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 the key audit matters to be communicated in our report.

#### Sr. No. Key Audit Matter

##### 1 Revenue Recognition

(refer Note. 1.9 related to Revenue)

We focused on this area as a key audit matter due to the risk of incorrect timing of revenue recognition and estimation related to recording the discount and rebates. According to the consolidated financial statement' accounting principles revenue is recognized at a point in time when the control of the goods is transferred to the customer according to delivery terms. Due to variation of contractual sales terms and practices across the market and the pressure, the management may feel to achieve performance targets, there is a risk of material error.

#### Auditor's Response

To address this risk of material misstatement relating to revenue recognition, our audit procedures included:

- Assessing the compliance of company's revenue recognition policies with applicable accounting standards, including those related to discounts and rebates.
- Assessing the revenue recognition processes on showroom and online sales.
- Assessing the adequacy of relevant disclosures.

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate

Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility 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 consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the IND-AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Standalone 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

## Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report that :
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during

the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :

- i) The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
- ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **ADV & ASSOCIATES**

Chartered Accountants

Firm Registration number: 128045W

**Prakash Mandhaniya**

Partner

Membership number: 421679

Mumbai

May 21, 2019

# Annexure “A” to the Independent Auditor’s Report

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of KISAN MOULDINGS LIMITED of even date)**

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

We have audited the internal financial controls over financial reporting of **KISAN MOULDINGS LIMITED** (“the Group”) as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

## Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

## Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 consolidated 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 internal financial controls system over financial reporting of the Company.

## Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated 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 consolidated financial statements.

### Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

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

such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ADV & ASSOCIATES**

Chartered Accountants

Firm Registration number: 128045W

**Prakash Mandhaniya**

Partner

Membership number: 421679

Mumbai

May 21, 2019

# Consolidated Balance sheet as at March 31<sup>st</sup>, 2019

(All amounts are in lakhs, except share data and as stated)

| Particulars   | Notes | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------|-------------------------|-------------------------|
| <b>ASSETS</b>   |       |                         |                         |
| <b>Non - current assets</b>   |       |                         |                         |
| Property, plant and equipment   | 2     | 15,275.72               | 17,045.35               |
| Capital work-in-progress  | 2     | 20.66                   | 30.48                   |
| Intangible assets   | 3     | 3.85                    | 4.83                    |
| Financial assets  |       |                         |                         |
| Investments   | 4     | 6.56                    | 6.56                    |
| Other financial assets  | 5     | 83.63                   | 97.95                   |
| Non-current tax assets (net)  | 6     | 285.10                  | 257.98                  |
| Deferred tax assets (net)   | 7     | 2,299.76                | 1,701.59                |
| Other non-current assets  | 8     | 155.38                  | 526.94                  |
|   |       | <b>18,130.66</b>        | <b>19,671.68</b>        |
| <b>Current assets</b>   |       |                         |                         |
| Inventories   | 9     | 18,075.10               | 19,672.54               |
| Financial assets  |       |                         |                         |
| Trade receivables   | 10    | 14,664.47               | 16,245.51               |
| Cash and cash equivalents   | 11    | 417.41                  | 366.64                  |
| Bank balances other than cash and cash equivalents mentioned above          | 12    | 1,102.42                | 1,094.57                |
| Loans   | 13    | 217.83                  | 216.38                  |
| Other financial assets  | 14    | 904.66                  | 977.19                  |
| Other current assets  | 15    | 1,250.46                | 1,373.85                |
| Assets classified as held for sale  | 16    | 1,547.19                | 828.23                  |
|   |       | <b>38,179.54</b>        | <b>40,774.91</b>        |
| <b>TOTAL</b>  |       | <b>56,310.20</b>        | <b>60,446.62</b>        |
| <b>EQUITY AND LIABILITIES</b>   |       |                         |                         |
| <b>EQUITY</b>   |       |                         |                         |
| Equity share capital  | 17    | 3,386.31                | 3,386.31                |
| Other equity  | 18    | 13,088.39               | 14,046.35               |
| <b>Total Equity</b>   |       | <b>16,474.70</b>        | <b>17,432.66</b>        |
| <b>LIABILITIES</b>  |       |                         |                         |
| <b>Non - current liabilities</b>  |       |                         |                         |
| Financial liabilities   |       |                         |                         |
| Borrowings  | 19    | 6,415.58                | 7,738.59                |
| Other financial liabilities   | 20    | 347.32                  | 311.59                  |
| Deferred tax liability (net)  |       | -                       | -                       |
| Provisions  | 21    | 226.72                  | 183.45                  |
|   |       | <b>6,989.62</b>         | <b>8,233.63</b>         |
| <b>Current liabilities</b>  |       |                         |                         |
| Financial liabilities   |       |                         |                         |
| Borrowings  | 22    | 12,105.88               | 11,503.01               |
| Trade payables  | 23    | 13,344.03               | 16,138.96               |
| Other financial liabilities   | 24    | 3,828.26                | 4,024.13                |
| Other current liabilities   | 25    | 2,297.31                | 1,800.59                |
| Provisions  | 26    | 981.83                  | 1,047.46                |
| Current Tax Liabilities   | 27    | 1.04                    | 13.49                   |
| Liabilities directly associated with asset classified as held for sale      | 28    | 287.53                  | 252.70                  |
|   |       | <b>32,845.88</b>        | <b>34,780.33</b>        |
| <b>TOTAL</b>  |       | <b>56,310.20</b>        | <b>60,446.62</b>        |
| Significant accounting policies   | 1     |                         |                         |
| The accompanying notes form an integral part of these Financial Statements. |       |                         |                         |

As per our attached report of even date

**For ADV & Associates**

Chartered Accountants

Firm Registration No. 128045W

**Prakash Mandhaniya**

Partner

Membership No. 421679

Date:- May 21, 2019

Place:- Mumbai

**For and on behalf of the Board of Directors of,  
Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**

DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**

DIN: 05155607

**Whole Time Director**

**Dharak A. Mehta**

ICSI M.No. 40502

**Company Secretary**

# Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019

(All amounts are in lakhs, except share data and as stated)

| Particulars   | Notes | For the year<br>Ended March 31,<br>2019 | For the year<br>ended March 31,<br>2018 |
|---|-------|---|---|
| <b>Income</b>   |       |   |   |
| Revenue from operations   | 29    | 53,368.20                               | 56,786.90                               |
| Other income  | 30    | 123.64                                  | 534.08                                  |
| <b>Total Income</b>   |       | <b>53,491.84</b>                        | <b>57,320.98</b>                        |
| <b>Expenses</b>   |       |   |   |
| Cost of materials consumed  | 31    | 28,291.59                               | 30,503.39                               |
| Purchases of stock-in-trade   | 32    | 9,903.88                                | 15,533.88                               |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 33    | 1,327.74                                | (4,512.89)                              |
| Excise duty   | 34    | 0.00                                    | 857.34                                  |
| Employee benefits expense   | 35    | 1,968.51                                | 2,014.05                                |
| Finance costs   | 36    | 3,261.32                                | 3,592.56                                |
| Depreciation and amortisation expense   | 2 & 3 | 1,391.71                                | 1,413.55                                |
| Other expenses  | 37    | 8,917.14                                | 8,239.38                                |
| <b>Total Expenses</b>   |       | <b>55,061.90</b>                        | <b>57,641.27</b>                        |
| <b>Profit / (Loss) for the year before tax</b>                                |       | <b>(1,570.06)</b>                       | <b>(320.29)</b>                         |
| Tax expense : -   |       |   |   |
| Current tax   |       | 1.47                                    | 13.91                                   |
| Deferred tax charge / (Credit)  | 7     | (603.04)                                | (376.91)                                |
| <b>Profit / (Loss) for the year (A)</b>                                       |       | <b>(968.48)</b>                         | <b>42.71</b>                            |
| <b>Other Comprehensive Income</b>   |       |   |   |
| <i>Items that will not be reclassified to profit or loss</i>                  |       |   |   |
| Remeasurements gains/(losses) on defined benefit plan                         |       | 15.40                                   | 6.95                                    |
| Income tax effect on above  |       | (4.87)                                  | (2.37)                                  |
| <b>Total other comprehensive income / (loss) for the year (B)</b>             |       | <b>10.53</b>                            | <b>4.58</b>                             |
| <b>Total comprehensive income / (loss) for the year (A+B)</b>                 |       | <b>(957.95)</b>                         | <b>47.28</b>                            |
| Earnings per equity share of face value of ₹ 10 each fully paid up            |       |   |   |
| Basic ₹   | 38    | (2.86)                                  | 0.14                                    |
| Diluted ₹   | 38    | (2.86)                                  | 0.14                                    |
| Significant accounting policies   | 1     |   |   |
| The accompanying notes form an integral part of these Financial Statements.   |       |   |   |

As per our attached report of even date  
**For ADV & Associates**  
 Chartered Accountants  
 Firm Registration No. 128045W

**Prakash Mandhaniya**  
 Partner  
 Membership No. 421679

Date:- May 21, 2019  
 Place:- Mumbai

**For and on behalf of the Board of Directors of,  
 Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**  
 DIN: 00064076

**Rishav S. Aggarwal**  
 DIN: 05155607

**Dharak A. Mehta**  
 ICSI M.No. 40502

**Chairman & Managing Director**

**Whole Time Director**

**Company Secretary**

# Consolidated Statement of changes in equity for the year ended 31<sup>st</sup> March, 2019

(All amounts are in lakhs, except share data and as stated)

## (a) Equity Share Capital

|                                     | Amount          |
|-------------------------------------|-----------------|
| <b>Balance as at April 01, 2017</b> | <b>2,886.31</b> |
| Changes in equity during FY 2017-18 | 500.00          |
| <b>Balance as at April 01, 2018</b> | <b>3,386.31</b> |
| Changes in equity during FY 2018-19 | -               |
| <b>Balance as at March 31, 2019</b> | <b>3,386.31</b> |

## (b) Other Equity

|                                     | Reserves & Surplus |                  |                   | Other Comprehensive Income              | Total            |
|-------------------------------------|--------------------|------------------|-------------------|---|------------------|
|                                     | Securities Premium | General Reserves | Retained Earnings | Remeasurements of defined benefit plans |                  |
| <b>Balance as on March 31, 2017</b> | <b>4,924.02</b>    | <b>366.46</b>    | <b>3,316.74</b>   | <b>5.97</b>                             | <b>8,613.19</b>  |
| Addition during the year            | 5,385.87           |                  |                   |   | 5,385.87         |
| Profit / (Loss) for the year        |                    |                  | 42.71             |   | 42.71            |
| Other comprehensive income          |                    |                  |                   | 4.58                                    | 4.58             |
| <b>Balance as on March 31, 2018</b> | <b>10,309.89</b>   | <b>366.46</b>    | <b>3,359.45</b>   | <b>10.55</b>                            | <b>14,046.35</b> |
| Addition during the year            | (0.00)             |                  |                   |   | (0.00)           |
| Profit / (Loss) for the year        |                    |                  | (968.48)          |   | (968.48)         |
| Other comprehensive income          |                    |                  |                   | 10.53                                   | 10.53            |
| <b>Balance as on March 31, 2019</b> | <b>10,309.89</b>   | <b>366.46</b>    | <b>2,390.96</b>   | <b>21.08</b>                            | <b>13,088.39</b> |

As per our attached report of even date

**For ADV & Associates**

Chartered Accountants

Firm Registration No. 128045W

**Prakash Mandhaniya**

Partner

Membership No. 421679

Date:- May 21, 2019

Place:- Mumbai

**For and on behalf of the Board of Directors of,  
Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**

DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**

DIN: 05155607

**Whole Time Director**

**Dharak A. Mehta**

ICSI M.No. 40502

**Company Secretary**

# Consolidated Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2019

(All amounts are in lakhs, except share data and as stated)

| Particulars   | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|-----------------------------------|-----------------------------------|
| <b>A. CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:</b>                           |                                   |                                   |
| Profit before tax   | (1,570.06)                        | (320.29)                          |
| <b>Adjustments for :</b>  |                                   |                                   |
| Depreciation and amortisation   | 1,391.71                          | 1,413.55                          |
| Interest expenses   | 3,261.32                          | 3,592.56                          |
| (Profit)/Loss on sale of property, plant and equipments                             | 133.20                            | (47.49)                           |
| Dividend income   | (0.60)                            | (0.60)                            |
| Liability written back  | (29.48)                           | (150.34)                          |
| <b>Cash Generated from operations before working capital changes</b>                | <b>3,186.10</b>                   | <b>4,487.39</b>                   |
| (Increase) / Decrease in inventories  | 1,597.44                          | (4,969.67)                        |
| (Increase) / Decrease in trade receivables  | 1,581.04                          | (3,694.33)                        |
| (Increase) / Decrease in other non-current financial assets                         | 14.32                             | 116.61                            |
| (Increase) / Decrease in other non-current assets                                   | 371.56                            | (394.16)                          |
| (Increase) / Decrease in other current financial assets                             | 71.08                             | (249.38)                          |
| (Increase) / Decrease in other current assets                                       | 123.39                            | 81.53                             |
| Increase / (Decrease) in non-current provisions                                     | 43.27                             | 43.20                             |
| Increase / (Decrease) in current provisions   | (65.63)                           | (333.35)                          |
| Increase / (Decrease) in other non-current financial liabilities                    | 35.73                             | (60.33)                           |
| Increase / (Decrease) in other current financial liabilities                        | (2,961.32)                        | 5,737.16                          |
| Increase / (Decrease) in other current liabilities                                  | 496.72                            | (292.97)                          |
| (Increase) / Decrease in non current tax [net ]                                     | (27.12)                           | (43.39)                           |
| Increase / (Decrease) in other assets held for sales                                | 34.83                             | 252.70                            |
| Increase / (Decrease) in current tax liabilities                                    | (12.45)                           | 10.18                             |
| <b>Cash generated from operations</b>   | <b>4,488.96</b>                   | <b>691.21</b>                     |
| Income taxes paid   | (1.47)                            | (13.91)                           |
| <b>Net cash generated from / (used in) operating activities (A)</b>                 | <b>4,487.50</b>                   | <b>677.29</b>                     |
| <b>B. CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES:</b>                         |                                   |                                   |
| Purchase of property, plant and equipment and additions to capital work in progress | (986.85)                          | (1,408.08)                        |
| Proceeds from sale of property, plant and equipment                                 | 538.83                            | 425.63                            |
| Dividend received   | 0.60                              | 0.60                              |
| Movement in bank balances other than cash and cash equivalents                      | (7.85)                            | (90.74)                           |
| <b>Net cash from / (used in) investing activities (B)</b>                           | <b>(455.27)</b>                   | <b>(1,072.59)</b>                 |

# Consolidated Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2019

(All amounts are in lakhs, except share data and as stated)

| Particulars  | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|--|-----------------------------------|-----------------------------------|
| <b>C. CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES:</b>            |                                   |                                   |
| Proceeds from issuance of share capital                                | -                                 | 500.00                            |
| Premium on issue of shares   | -                                 | 5,385.88                          |
| Repayment of non-current borrowings                                    | (1,323.01)                        | (1,778.55)                        |
| Proceeds from current borrowings                                       | 602.87                            | 35.08                             |
| Interest paid  | (3,261.32)                        | (3,592.56)                        |
| <b>Net cash from / (used in) financing activities (C )</b>             | <b>(3,981.46)</b>                 | <b>549.85</b>                     |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>               | <b>50.77</b>                      | <b>154.55</b>                     |
| <b>CASH AND CASH EQUIVALENTS, beginning of year</b>                    | <b>366.64</b>                     | <b>212.10</b>                     |
| Unrealised gain / (loss) on foreign currency cash and cash equivalents | 0.00                              | 0.00                              |
| <b>CASH AND CASH EQUIVALENTS, end of year</b>                          | <b>417.41</b>                     | <b>366.64</b>                     |
| <b>Components of cash and cash equivalents, as at March 31</b>         |                                   |                                   |
| Cash on hand   | 15.30                             | 8.92                              |
| Cash in current account  | 402.11                            | 357.72                            |
|  | <b>417.41</b>                     | <b>366.64</b>                     |

**Notes:**

- A. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'
- B. All figures in bracket are outflow.

As per our attached report of even date

**For ADV & Associates**  
Chartered Accountants  
Firm Registration No. 128045W

**Prakash Mandhaniya**  
Partner  
Membership No. 421679

Date:- May 21, 2019  
Place:- Mumbai

**For and on behalf of the Board of Directors of,  
Kisan Mouldings Limited.**

**Sanjeev A. Aggarwal**  
DIN: 00064076

**Chairman & Managing Director**

**Rishav S. Aggarwal**  
DIN: 05155607

**Whole Time Director**

**Dharak A. Mehta**  
ICSI M.No. 40502

**Company Secretary**



# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2019

## BACKGROUND

Kisan Mouldings Limited (the 'Group') is a public limited company domiciled in India with its registered office located at 26 'A', 3rd Floor, K-wing, "Tex Centre", Chandivali, Off Saki Vihar Road, Andheri (East), Mumbai - 400 072. The Group is listed on the Bombay Stock Exchange (BSE). The Group is a well-known brand in the PVC Pipes, Fittings and Allied Products. Its pipes and fittings are widely used for water management, irrigation, water distribution, cable ducting, drinking water, tube wells and sewage disposal systems. The Group has also engaged itself in the manufacturing of Custom Moulded Articles and Moulded Furniture. The Group has manufacturing facilities across the country and sells primarily in India through independent distributors.

## BASIS OF PREPARATION

### A. Statement of compliance

The financial statements have been prepared in compliance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements of the Group for the year ended March 31st, 2019 were approved

for issue in accordance with the resolution of the Board of Directors on May 21st, 2019

### B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

### C. Basis of measurement

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

| Items                                    | Measurement basis   |
|--|---|
| Certain financial assets and liabilities | Fair value  |
| Assets held for sale                     | Measured at fair value less cost to sale                                    |
| Net defined benefit (asset)/ liability   | Fair value of plan assets less present value of defined benefit obligations |

### D. Key estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts

recognized in the financial statements are included in the following notes:

- Financial instrument (Refer note 42 & 43);
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets (Refer note 2 & 3);
- Estimates of fair value of property, plant and equipment's (Refer note 2);
- Estimates of fair value less cost to sale for assets held for sale (Refer note 16);
- Valuation of inventories (Refer note 9);
- Measurement of Defined Benefit Obligation, key actuarial assumptions (Refer note 41);
- Provisions and Contingencies (Refer note 21 and 26) and
- Evaluation of recoverability of deferred tax assets (Refer note 7)

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

## E. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's audit committee.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 42 – 43 Financial Instruments-Fair values and risk management

## F. Recent accounting developments

Standards issued but not yet effective

In March 2019, the Ministry of Corporate Affairs [ MCA] issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain

IND-AS. The Standard/amendments are applicable to the Company with effect from 1st April 2019.

- IND AS -116 Lease

- Appendix C to Ind AS -12, Income taxes
- Amendments to Ind AS -103, Business Combinations
- Amendments to Ind AS -109, Financial Instruments
- Amendments to Ind AS -111, Joint Arrangements
- Amendments to Ind AS -19, Employee Benefits
- Amendments to Ind AS -23, Borrowing Costs
- Amendments to Ind AS -28, Investments in Associates and Joint Ventures

Based on Preliminary work, the Company does not expect these amendments to have any significant impact on its Financial statements.

## 1. Significant Accounting policies

### 1. Property, Plant and Equipment (PPE)

#### i. Recognition and measurement

PPE are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any.

The cost of an item of PPE comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Pre-operative expenses, including interest on borrowings upto the date of commercial operations, are treated as part of project cost and capitalised.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in profit or loss.

Any gain or loss on disposal of an item of PPE is recognized in profit and loss.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advance under "Other Non Current Assets".

#### ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

#### iii. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE (other than leasehold land) has been provided based on useful life of the assets as estimated by the management on Straight Line Method. The useful lives used, are in agreement with those specified in Schedule II of the Companies Act, 2013.

Leasehold land are amortized over the lease period. Buildings constructed on leasehold land are depreciated based on the management estimate of useful life, where the lease period is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortized over the primary lease period of the land.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Profit and loss on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

## 2. Intangible assets

#### i. Recognition and measurement

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

## ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

## iii. Amortization

Intangible asset comprises computer software purchased, which are not an integral part of the related hardware and are amortized on a straight line basis over a period of 8 years, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

## iv. Research and development cost:

### (1) Research cost:

Revenue expenditure on research is charged to statement of profit and loss under the respective heads of accounts in the period in which it is incurred.

### (2) Development cost:

Development expenditure on new product is capitalized as intangible asset, if all of the following can be demonstrated.

- (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) the Group has intention to complete the development of intangible asset and use or sell it;
- (iii) the Group has ability to use or sell the intangible asset;
- (iv) the manner in which the probable future economic benefit will be generated including the existence of a market for output of the intangible asset or the intangible asset itself or if it is to be used internally, the usefulness of the intangible asset;
- (v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (vi) the Group has ability to measure the expenditure attributable to the intangible asset during the development reliably.

Development costs on the intangible assets, fulfilling the criteria are amortized over a period of five years, otherwise are expensed in the period in which they are incurred.

## 3. Investment in subsidiary

Investments in subsidiary is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

## 4. Inventories

Inventories are valued after providing for obsolescence, if any, as under:

- (a) Raw materials, components, stores and spare parts and packing materials: At lower of cost computed, on FIFO basis and net realizable value
- (b) Work -in-progress - Manufacturing : At lower of cost of materials, plus appropriate production overheads and net realizable value.
- (c) Finished goods – Manufacturing : At lower of cost of materials plus appropriate production overheads/ payable on such goods and net realizable value.
- (d) Finished goods – Trading (others) : At lower of cost computed, on FIFO basis and net realizable value
- (e) Scrap (Reusable) : At cost computed on FIFO basis

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Materials and supplies held for use in the production of inventories are not written down, if the finished goods in which they will be used are expected to be sold at or above cost.

## 5. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, call deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 6. Assets Held for Sale:

Non-current assets comprising of land and buildings are classified as 'held for sale' when all of the following criteria's are met:

- (i) decision has been made to sell;
- (ii) the assets are available for immediate sale in its present condition;
- (iii) the assets are being actively marketed and
- (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated.

## 7. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### i. Financial assets

#### Classification

The Group shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

#### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

#### Debt instruments

- A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
  - a) The asset is held within a business model whose objective is to hold

assets for collecting contractual cash flows, and

- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit and loss.
- Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

#### Equity instruments

The Group subsequently measures all equity investments in companies including equity investments in subsidiaries at cost. Dividends from such investments are recognized in profit and loss as other income when the Group's right to receive payments is established.

#### De-recognition

- A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e. removed from the Group's balance sheet) when:
  - a) The rights to receive cash flows from the asset have expired, or
  - b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset,



but has transferred control of the asset.

- When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### **Impairment of financial assets**

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for recognition and measurement of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g. deposits and bank balance;
- Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

## **ii. Financial liabilities**

### **Classification**

The Group classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value

through profit and loss. Such liabilities shall be subsequently measured at fair value.

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or as payables as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

### **Financial liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs



that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

#### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### **Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

### **8. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized if as a result of a past event, the Group has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation

whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements when an inflow of economic benefit is probable. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

### **9. Revenue recognition**

#### **Sale of goods**

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods is recognized when the significant risks and rewards in respect of ownership of products are transferred by the Group, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods as well as regarding its ultimate collection. Amounts disclosed as revenue are inclusive of excise duty and net of returns, Trade Discounts, Rebates, incentives, Goods and Service Tax Act / Value added taxes / Central Sales Tax and amounts collected on behalf of third parties.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

#### **Sale of services**

Service income is recognized as per the terms of the contracts / arrangements with the customers on proportionate completion method. When no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and is recognized net of Goods and service tax / Service tax as applicable.

#### **Dividend income**

Dividend is recognized as revenue when the right to receive payment has been established.

#### **Interest income**

For all interest bearing financial assets measured at amortized cost, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the

financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

## 10. Employee benefits

### i. Short term employee benefits

Short term employee benefits consisting of salaries, wages, short-term compensated absences, performance incentives, etc., and the expected cost of bonus, ex-gratia are benefits payable and recognized in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the year as the related service are rendered by the employee.

### ii. Defined contribution plans

Group's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss.

The Group's contribution towards provident fund, superannuation fund and employee state insurance scheme, employee pension scheme and labour welfare fund for certain eligible employees are considered to be defined contribution plan for which the Group made contribution on monthly basis.

### iii. Defined benefit plans

Group's liabilities towards defined benefit plans viz. gratuity which is expected to occur after twelve months, is determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of other comprehensive income in the period of occurrence of such gains and losses for gratuity. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets, if any.

Other long term employee benefits such as compensated absences payable to the employees is provided for in the books of accounts on accrual basis.

### iv. Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred, if any.

## 11. Impairment of non-financial assets

The carrying amount of the assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less costs of disposal and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. For the purposes of assessing impairment, assets are grouped at their lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units). Impairment loss is charged to the profit and loss account in the year in which the asset is identified as impaired.

An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized or relates to a change in the estimate of the recoverable amount in the previous periods. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## 12. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or in OCI.

### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted as at the reporting date.

Current tax assets and liabilities are offset only if:

- a) there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and

- b) there is intention either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognized for deductible temporary differences (if any) to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore in case of history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary difference or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax asset can be realized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority on the same taxable entity.

## 13. Operating lease

Assets taken on lease under which substantially all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

## 14. Foreign currency

### (i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

### (ii) Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

## 15. Earnings per share (EPS)

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

## 16. Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

## 17. Segment accounting

### (a) Segment accounting policies:

Segment accounting policies are in line with the accounting policies of the Group. The Group identifies primary business segment based on the different risks and returns, the organisation structure and the internal reporting systems. Secondary segments are identified on the basis of geography in which sales have been effected. In addition, the following specific accounting policies have been followed for segment reporting:

- 1) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.
- 2) Expenses that are directly identifiable with/ allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under un-allocable expenditure.
- 3) Income which relates to the Group as a whole and not allocable to segments is included in un-allocable income.
- 4) Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Group.
- 5) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

### (b) Inter-segment transfer pricing:

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

## 18. Current vs non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**Note 2**

(All amounts are in lakhs, except share data and as stated)

**Property, Plant & Equipment**

| Particulars                         | Gross Block          |               |               |                       |                      | Accumulated Depreciation |                                  |                      | Net Block            |                      |                      |
|-------------------------------------|----------------------|---------------|---------------|-----------------------|----------------------|--------------------------|----------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                     | As at April 01, 2018 | Additions     | Disposals     | Assets held for sales | As at March 31, 2019 | As at April 01, 2018     | Depreciation charge for the year | Deduction / Transfer | As at March 31, 2019 | As at March 31, 2019 | As at March 31, 2018 |
| Freehold Land                       | 5,363.48             | -             | -             | 853.63                | 4,509.85             | -                        | -                                | -                    | -                    | 4,509.85             | 5,363.48             |
| Leasehold land                      | 619.55               | -             | -             | -                     | 619.55               | 22.32                    | 10.87                            | -                    | 33.19                | 586.36               | 597.23               |
| Residential & Office Premises       | 5.00                 | -             | -             | -                     | 5.00                 | 0.19                     | 0.09                             | -                    | 0.28                 | 4.72                 | 4.81                 |
| Office & Godowns                    | 994.26               | -             | 150.00        | 265.32                | 578.94               | 43.18                    | 14.24                            | 10.39                | 47.03                | 531.91               | 951.08               |
| Factory Buildings                   | 3,626.66             | 69.41         | -             | -                     | 3,696.07             | 126.10                   | 68.59                            | -                    | 194.69               | 3,501.38             | 3,500.56             |
| Plant & Machinery                   | 5,582.33             | 495.23        | 80.64         | -                     | 5,996.92             | 1,509.57                 | 847.81                           | 52.20                | 2,305.18             | 3,691.74             | 4,072.76             |
| Dies & Moulds                       | 1,722.07             | 321.45        | 37.16         | -                     | 2,006.36             | 427.52                   | 248.36                           | 6.10                 | 669.78               | 1,336.58             | 1,294.55             |
| Lab Equipments & Instruments        | 29.29                | 9.71          | 0.98          | -                     | 38.02                | 4.92                     | 3.17                             | -                    | 8.09                 | 29.93                | 24.37                |
| Office Equipments & Devices         | 47.35                | 13.92         | 0.18          | -                     | 61.09                | 13.97                    | 8.02                             | -                    | 21.99                | 39.10                | 33.38                |
| Factory Equipments & Devices        | 272.14               | 0.97          | 19.39         | -                     | 253.72               | 61.55                    | 29.75                            | -                    | 91.30                | 162.42               | 210.59               |
| Computers & Peripherals             | 43.25                | 21.73         | -             | -                     | 64.98                | 19.80                    | 11.75                            | -                    | 31.55                | 33.43                | 23.45                |
| Furniture & Fixtures                | 167.86               | 1.59          | 4.80          | -                     | 164.65               | 44.15                    | 20.25                            | 0.23                 | 64.17                | 100.48               | 123.71               |
| Electrical Fittings & Installations | 451.91               | 24.68         | 20.83         | -                     | 455.76               | 138.33                   | 44.76                            | -                    | 183.09               | 272.67               | 313.58               |
| Air condition                       | 7.99                 | 1.91          | -             | -                     | 9.90                 | 3.89                     | 1.86                             | -                    | 5.75                 | 4.15                 | 4.10                 |
| Transformer                         | 50.70                | 19.27         | 3.90          | -                     | 66.07                | 10.33                    | 5.33                             | -                    | 15.66                | 50.41                | 40.37                |
| Vehicles                            | 611.81               | 16.81         | 11.64         | -                     | 616.98               | 160.92                   | 73.33                            | 7.00                 | 227.25               | 389.73               | 450.89               |
| Eot crane                           | 30.25                | -             | 3.03          | -                     | 27.22                | 3.79                     | 2.01                             | -                    | 5.80                 | 21.42                | 26.46                |
| Generator                           | 13.14                | -             | -             | -                     | 13.14                | 3.16                     | 0.54                             | -                    | 3.70                 | 9.44                 | 9.98                 |
| <b>Total</b>                        | <b>19,639.04</b>     | <b>996.68</b> | <b>332.55</b> | <b>1,118.95</b>       | <b>19,184.22</b>     | <b>2,593.69</b>          | <b>1,390.73</b>                  | <b>75.92</b>         | <b>3,908.50</b>      | <b>15,275.72</b>     | <b>17,045.35</b>     |
| Capital Work In Progress            |                      |               |               |                       |                      |                          |                                  |                      |                      | 20.66                | 30.48                |

**Note 3****Intangible assets**

| Particulars       | Gross Block          |           |           |                       |                      | Accumulated Amortization |                                  |                      | Net Block            |                      |                      |
|-------------------|----------------------|-----------|-----------|-----------------------|----------------------|--------------------------|----------------------------------|----------------------|----------------------|----------------------|----------------------|
|                   | As at April 01, 2018 | Additions | Disposals | Assets held for sales | As at March 31, 2019 | As at April 01, 2018     | Amortization charge for the year | Deduction / Transfer | As at March 31, 2019 | As at March 31, 2019 | As at March 31, 2018 |
| Computer software | 7.10                 | -         | -         | -                     | 7.10                 | 2.27                     | 0.98                             | -                    | 3.25                 | 3.85                 | 4.83                 |
| <b>Total</b>      | <b>7.10</b>          | <b>-</b>  | <b>-</b>  | <b>-</b>              | <b>7.10</b>          | <b>2.27</b>              | <b>0.98</b>                      | <b>-</b>             | <b>3.25</b>          | <b>3.85</b>          | <b>4.83</b>          |

**Note 4****Non-current financial assets - Investments**

| Particulars   | As at March 31, 2019 | As at March 31, 2018 |
|---|----------------------|----------------------|
| <b>Investment in equity shares at cost</b>  |                      |                      |
| <b>Unquoted, fully paid up</b>  |                      |                      |
| In Government or Trust Securities National Savings Certificate (NSC)  | 0.95                 | 0.95                 |
| 22,453 shares (March 31, 2017: 22,453 and April 01, 2016: 22,453) of The Shamrao Vithal Co-op Bank Ltd of ₹ 25/- each * | 5.61                 | 5.61                 |
| <b>TOTAL</b>  | <b>6.56</b>          | <b>6.56</b>          |

\* Out of the 22,453 number of shares, 2,453 shares are held in the erstwhile name of company Bhagirath Agro Plast Ltd. and Kisan Irrigations Ltd. which had merged with Kisan Mouldings Ltd.

**Note 5**

(All amounts are in lakhs, except share data and as stated)

**Non - current financial assets - others**

| Particulars   | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| <b>Other financial assets carried at amortised cost</b> |                         |                         |
| Security Deposits                                       | 83.63                   | 97.95                   |
| <b>TOTAL</b>  | <b>83.63</b>            | <b>97.95</b>            |

**Note 6**
**Non - current tax assets**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| Advance for Income Tax (Net of Provision Tax Paid) | 285.10                  | 257.98                  |
| <b>TOTAL</b>                                       | <b>285.10</b>           | <b>257.98</b>           |

**Note 7**
**Income tax**
**(a) Tax recognised in profit and loss**

| Particulars                                       | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| <b>Current tax charge/(credit)</b>                | 1.47                                 | 13.91                                |
| <b>Deferred tax charge/(credit), net</b>          |                                      |                                      |
| Origination and reversal of temporary differences | (603.04)                             | (376.91)                             |
| <b>Deferred tax charge/(credit)</b>               | <b>(603.04)</b>                      | <b>(376.91)</b>                      |
| <b>Tax charge/(credit) for the year</b>           | <b>(603.04)</b>                      | <b>(376.91)</b>                      |

**(b) Tax recognised in other comprehensive income**

| Particulars  | For the year ended March 31, 2019  |                             |                                    | For the year ended March 31, 2018  |                             |                                    |
|--|------------------------------------|-----------------------------|------------------------------------|------------------------------------|-----------------------------|------------------------------------|
|  | Before tax<br>(charge) /<br>credit | Tax<br>(charge) /<br>credit | Net of tax<br>(charge) /<br>credit | Before tax<br>(charge) /<br>credit | Tax<br>(charge) /<br>credit | Net of tax<br>(charge) /<br>credit |
| <b>Items that will not be reclassified to profit or loss</b> |                                    |                             |                                    |                                    |                             |                                    |
| Remeasurements of the defined benefit plans                  | 15.40                              | (4.87)                      | 10.53                              | 6.95                               | (2.37)                      | 4.58                               |
| <b>TOTAL</b>   | <b>15.40</b>                       | <b>(4.87)</b>               | <b>10.53</b>                       | <b>6.95</b>                        | <b>(2.37)</b>               | <b>4.58</b>                        |

**(c) Movement in deferred tax assets and liabilities**

| Particulars                             | Net deferred<br>tax assets/(liabilities) as on<br>April 01, 2017 | Recognised<br>in profit or<br>loss | Recognised<br>in other<br>comprehensive<br>income | Net deferred<br>tax assets/<br>(liabilities)<br>as on<br>April 01,<br>2018 | Recognised<br>in profit or<br>loss | Recognised<br>in other<br>comprehensive<br>income | Net deferred<br>tax assets/<br>(liabilities)<br>as on<br>March 31,<br>2019 |
|---|--|------------------------------------|---|--|------------------------------------|---|--|
| <b>Deferred tax asset/(liabilities)</b> |  |                                    |   |  |                                    |   |  |
| Property, plant and equipment           | (1,163.90)   | 77.74                              | -   | (1,086.16)   | 128.82                             |   | (957.34)   |
| Non current asset held for sale         | 110.89   | (110.89)                           | -   | -  | -                                  |   | -  |
| Borrowings                              | (7.86)   | -                                  | -   | (7.86)   | 0.00                               |   | (7.86)   |
| Provision for doubtful debts            | 775.04   | -                                  | -   | 775.04   | 0.00                               |   | 775.04   |



(All amounts are in lakhs, except share data and as stated)

|   |                 |               |               |                 |               |                 |
|---|-----------------|---------------|---------------|-----------------|---------------|-----------------|
| Expenses allowable for tax purposes when paid | 437.28          | 148.74        | -             | 586.02          | (323.07)      | 262.95          |
| Brought forward losses                        | 1,178.49        | 181.50        | -             | 1,359.99        | 786.66        | 2,146.65        |
| Employee benefits                             | (2.89)          | 79.82         | (2.37)        | 74.56           | 10.62         | 80.31           |
| <b>Deferred tax assets/(liabilities)</b>      | <b>1,327.06</b> | <b>376.91</b> | <b>(2.37)</b> | <b>1,701.59</b> | <b>603.03</b> | <b>(4.87)</b>   |
|   |                 |               |               |                 |               | <b>2,299.76</b> |

#### Note 8

##### Other non - current assets

| Particulars                | As at March 31, 2019 | As at March 31, 2018 |
|----------------------------|----------------------|----------------------|
| Prepaid Expense            | 111.68               | 243.01               |
| Balance with Vat Authority | 43.70                | 283.93               |
| <b>Total</b>               | <b>155.38</b>        | <b>526.94</b>        |

#### Note 9

##### Inventories

| Particulars                     | As at March 31, 2019 | As at March 31, 2018 |
|---------------------------------|----------------------|----------------------|
| a) Raw Materials and components | 2,034.19             | 2,056.28             |
| Goods-in transit                | -                    | 28.79                |
| b) Work-in-progress             | 2,418.62             | 4,259.25             |
| c) Finished goods               | 12,734.29            | 12,039.15            |
| Goods-in transit                | -                    | 100.12               |
| d) Stock-in-trade               | 362.93               | 445.06               |
| e) Stores and spares            | 525.07               | 743.89               |
| <b>Total</b>                    | <b>18,075.10</b>     | <b>19,672.54</b>     |

#### Note:

Inventories are valued at cost or net realizable value, whichever is lower.

#### Note 10

##### Trade receivables

| Particulars                      | As at March 31, 2019 | As at March 31, 2018 |
|----------------------------------|----------------------|----------------------|
| Unsecured, considered good       | 16,304.58            | 17,881.97            |
| Less:- Allowance for credit loss | (1,640.12)           | (1,636.47)           |
|                                  | <b>14,664.46</b>     | <b>16,245.51</b>     |
| Unsecured, considered doubtful   | 571.70               | 575.35               |
| Less:- Allowance for Credit loss | (571.70)             | (575.35)             |
|                                  | <b>0.00</b>          | <b>0.00</b>          |
| <b>Total</b>                     | <b>14,664.47</b>     | <b>16,245.51</b>     |

#### Note:

Trade receivables include dues from private companies in which any director is a partner, director or a member is ₹ 13.28 lakhs (31 March 2018: ₹ 46.96 lakh)

**Note 11**

(All amounts are in lakhs, except share data and as stated)

**Cash and cash equivalents**

| Particulars                      | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|----------------------------------|-------------------------|-------------------------|
| <b>Cash and cash equivalents</b> |                         |                         |
| <b>Balances with banks</b>       |                         |                         |
| On current account               | 402.11                  | 357.72                  |
|                                  | <b>402.11</b>           | <b>357.72</b>           |
| <b>Cash on hand</b>              | 15.30                   | 8.92                    |
| <b>Total</b>                     | <b>417.41</b>           | <b>366.64</b>           |

**Note 12**
**Bank balances other than cash and cash equivalents**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| Deposits with banks (earmarked for electricity/Sales tax/Margin money) | 1,098.73                | 1,089.07                |
| Unclaimed dividend   | 3.69                    | 5.50                    |
| <b>Total</b>   | <b>1,102.42</b>         | <b>1,094.57</b>         |

**Note 13**
**Loans**

| Particulars   | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| <b>Other financial assets carried at amortised cost</b> |                         |                         |
| Loan to employees                                       | 217.83                  | 216.38                  |
| <b>Total</b>  | <b>217.83</b>           | <b>216.38</b>           |

**Note 14**
**Other current financial assets**

| Particulars                                | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| Interest accrued and due on fixed deposits | 4.24                    | 5.37                    |
| Insurance claim receivable                 | 113.20                  | 263.01                  |
| <b>Recoverable in cash from :</b>          |                         |                         |
| - Other than relatives                     | 61.71                   | 48.00                   |
| - Sale of assets                           | 126.16                  | 65.05                   |
| Security Deposits                          | 599.35                  | 595.76                  |
| <b>Total</b>                               | <b>904.66</b>           | <b>977.19</b>           |

**Note 15**
**Other current assets**

| Particulars                            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| Capital advances                       | 351.53                  | 369.31                  |
| Advance/claim recoverable for expenses | 198.44                  | 383.64                  |
| Prepaid expenses                       | 326.21                  | 224.89                  |
| Balance with Excise authority          | 170.65                  | 169.44                  |
| Balance with VAT authority             | 203.63                  | 226.57                  |
| <b>Total</b>                           | <b>1,250.46</b>         | <b>1,373.85</b>         |

**Note 16**

(All amounts are in lakhs, except share data and as stated)

**Assets held for sale**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--------------|-------------------------|-------------------------|
| Land         | 1,165.12                | 312.12                  |
| Building     | 382.07                  | 516.11                  |
| <b>Total</b> | <b>1,547.19</b>         | <b>828.23</b>           |

**Note 17****Equity share capital**

| Particulars  | As at March 31, 2019 |                 | As at March 31, 2018 |                 |
|--|----------------------|-----------------|----------------------|-----------------|
|  | No. of Shares        | Amount          | No. of Shares        | Amount          |
| <b>Authorised</b>                                  |                      |                 |                      |                 |
| Equity shares of ₹ 10/- each                       | <b>3,50,00,000</b>   | <b>3,500.00</b> | <b>3,50,00,000</b>   | <b>3,500.00</b> |
| <b>Issued, Subscribed &amp; Paid up</b>            |                      |                 |                      |                 |
| <b>Equity shares of ₹ 10/- each fully paid up</b>  |                      |                 |                      |                 |
| Shares Outstanding as at the beginning of the Year | 3,38,63,065          | 3,386.31        | 2,88,63,065          | 2,886.31        |
| Add: Shares issued during the year                 | -                    | -               | 50,00,000            | 500.00          |
| Shares outstanding as at the end of the year       | <b>3,38,63,065</b>   | <b>3,386.31</b> | <b>3,38,63,065</b>   | <b>3,386.31</b> |

a) The Company has only one class of equity shares having at par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

b) **Details of equity shares held by each shareholders holding more than 5% of total equity shares:**

|  | As at March 31, 2019 |              | As at March 31, 2018 |              |
|--|----------------------|--------------|----------------------|--------------|
|  | No. of Shares held   | % of Holding | No. of Shares held   | % of Holding |
| Polsons Traders LLP [Earlier Known as Polsons Investment and Finance Pvt Ltd.] | 36,40,046            | 10.75%       | 36,40,046            | 10.75%       |

**Note 18****Other Equity**

a) **Summary of other equity balances**

| Particular                                 | As at<br>March 31 2019 | As at<br>March 31 2018 |
|--|------------------------|------------------------|
| Securities premium                         | 10,309.89              | 10,309.89              |
| General reserve                            | 366.46                 | 366.46                 |
| Retained earnings                          | 2,390.97               | 3,359.45               |
| <b>Other Comprehensive Income</b>          |                        |                        |
| Remeasurements of net defined benefit plan | 21.08                  | 10.55                  |
|  | <b>13,088.39</b>       | <b>14,046.35</b>       |

Refer Statement of Changes in Equity for detailed movement in equity balance.

b) **Nature and purpose of the reserve**

**Securities Premium**

Securities premium is used to record the premium received on issue of shares. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

**General Reserve**

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

**Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Other Comprehensive Income - Remeasurements of defined benefit plans**

It represents Remeasurements of defined benefit plan i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income.

|                    |                   |                      |        |
|--------------------|-------------------|----------------------|--------|
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|--------------------|-------------------|----------------------|--------|

**Note 19**

(All amounts are in lakhs, except share data and as stated)

**Non - current financial liabilities - borrowings.**

| Particulars           | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------|-------------------------|-------------------------|
| <b>Secured</b>        |                         |                         |
| Term loans from banks | 6,003.90                | 7,559.91                |
| Vehicle loans         | 115.27                  | 137.22                  |
|                       | <b>6,119.17</b>         | <b>7,697.13</b>         |
| <b>Unsecured</b>      |                         |                         |
| Loans from others     | 296.41                  | 41.46                   |
|                       | <b>296.41</b>           | <b>41.46</b>            |
| <b>Total</b>          | <b>6,415.58</b>         | <b>7,738.59</b>         |

**Additional Information to Secured Long Term Borrowings**

The long term portion of term loans are shown under long term borrowings and the current maturities of the long term borrowings are shown under other Current Liabilities as per disclosure requirements of the Schedule III of the Companies Act, 2013.

**Details Relating to Term Loans**

Secured by way of :-

1. First charge on pari-passu basis on entire fixed assets both present and future of the Company.
2. Second charge on pari-passu basis on current assets of the Company.
3. Personal Guarantee of Mr. Sanjeev A. Aggarwal - Chairman & Managing Director, Mr. Ashok J. Aggarwal, Mr. Satish J. Aggarwal and Mr. Vijay J. Aggarwal.
4. Pledge of 1,39,76,265 Lakhs equity shares held by the following directors/promoter & promoter group/their relative of the Company on pari-passu basis with working capital bankers.

| Name of the holders                  | Relation                      | No. of the Equity Shares | Name of the holders       | Relation                      | No. of the Equity Shares |
|--------------------------------------|-------------------------------|--------------------------|---------------------------|-------------------------------|--------------------------|
| Polsons Traders LLP                  | Promoter Group Body Corporate | 36,29,246                | Gaurav A. Aggarwal        | Promoter                      | 5,77,974                 |
| Jaisal Venture LLP                   | Promoter Group Body Corporate | 15,52,211                | Rishav S. Aggarwal        | WTD & Promoter                | 8,85,953                 |
| Shruti S. Aggarwal                   | Promoter Group                | 1,48,449                 | Amit V. Aggarwal          | Promoter                      | 5,49,171                 |
| Shweta S. Aggarwal                   | Promoter Group                | 1,56,709                 | Rekha S. Aggarwal         | Promoter Group                | 5,94,842                 |
| Sanjeev A. Aggarwal                  | CMD & Promoter                | 12,84,045                | Ashok J. Aggarwal         | Promoter                      | 7,32,597                 |
| Nishi S. Aggarwal                    | Promoter & Director Relative  | 7,84,260                 | Vijay J. Aggarwal [HUF]   | Promoter                      | 58,873                   |
| Vijay J. Aggarwal                    | Promoter                      | 12,17,336                | Neerav Aggarwal           | Promoter & Director Relative  | 7,08,184                 |
| Zitura Investment & Finance Pvt Ltd  | Promoter Group Body Corporate | 93,200                   | Spread Fintrade Ltd.      | Promoter Group Body Corporate | 2,50,524                 |
| Classic Creation Impex Pvt Ltd       | Promoter Group Body Corporate | 40,000                   | Sanjeev A. Aggarwal [HUF] | Promoter                      | 17,190                   |
| Polsons Investment & Finance Pvt Ltd | Promoter Group Body Corporate | 10,800                   | Radhika Aggarwal          | Promoter                      | 5,08,400                 |
| Ashok J. Aggarwal - HUF              | Promoter                      | 1,76,301                 |                           |                               |                          |
| <b>Total - A</b>                     |                               | <b>90,92,557</b>         | <b>Total - B</b>          |                               | <b>48,83,708</b>         |
| <b>Grand Total [A+B]</b>             |                               |                          |                           |                               | <b>1,39,76,265</b>       |

### Terms of repayment

(All amounts are in lakhs, except share data and as stated)

| Bank Name            | Sanction Amount<br>(₹ In lakhs) | Revised Sanction Loan<br>as per Master Restructuring<br>Agreement* | Rate of Interest         | No. of Installment/<br>Term | First Installment<br>Date |
|----------------------|---------------------------------|--|--------------------------|-----------------------------|---------------------------|
| The SVC Bank Limited | 250.00                          | **   | PLR - 3.75%              | 72 [Monthly]                | 30-Apr-10                 |
| The SVC Bank Limited | 500.00                          | 338.94   | PLR - 5.50%              | 33 [Monthly]                | 31-Jan-17                 |
| The SVC Bank Limited | 500.00                          | 486.79   | PLR - 5.50%              | 83 [Monthly]                | 31-Jan-17                 |
| IDBI Bank Ltd        | 1,000.00                        | 1,000.00   | BBR + 1.75%              | 36 [Monthly]                | 01-Jan-17                 |
| Punjab National Bank | 950.00                          | 418.00   | BR + 1.25% + TP<br>0.5%  | 34 [Monthly]                | 31-Jan-17                 |
| ICICI Bank Ltd***    | \$ 74.5 [Million]               | 2,957.00   | PNB BASE RATE<br>+ 1.75% | 96 [Monthly]                | 31-Jan-17                 |

\* The Original sanction Term Loan outstanding as on 31/12/2014 is considered for the Debts restructuring with revised terms and conditions.

\*\* Term Loan is not part of the Debts Restructuring Pursuant to Master Restructuring Agreement by JLF - Joint Lenders Fourm.

\*\*\* The ICICI Bank Original Sanction Loan in Foreign Currency which outstanding \$4.48 million dated on 21.04.15 has been considered for conversion into the India Rupees under the debts restructuring and cover under the same term on first and second charges creation on pari passu basis on entire fixed and current assets of the Company with other members of the Consortium of bank.

### Details Terms of repayment of Working Capital Term Loan.

| Bank Name            | Sanction Amount<br>(₹ In lakhs) | Rate of Interest         | No. of Installment | First Installment<br>Date |
|----------------------|---------------------------------|--------------------------|--------------------|---------------------------|
| The SVC Bank Limited | 900.00                          | PLR - 5.50%              | 60 [Monthly]       | 31-Jan-17                 |
| Punjab National Bank | 1,200.00                        | BR + 1.25% + TP<br>0.5%  | 60 [Monthly]       | 31-Jan-17                 |
| Union Bank of India  | 1,000.00                        | 12% Fixed                | 60 [Monthly]       | 01-Jan-17                 |
| IDBI Bank Ltd        | 800.00                          | BBR + 1.75%              | 60 [Monthly]       | 01-Jan-17                 |
| ICICI Bank Ltd       | 100.00                          | PNB BASE RATE +<br>0.75% | 12 [Monthly]       | 31-Jan-17                 |

### Details Terms of repayment of Funded Interest on Term Loan & Working Capital Term Loan.

| Bank Name            | Sanction Amount<br>(₹ In lakhs) | Rate of Interest         | No. of Installment | First Installment<br>Date |
|----------------------|---------------------------------|--------------------------|--------------------|---------------------------|
| The SVC Bank Limited | 135.00                          | PLR - 6.50%              | 48 [Monthly]       | 31-Jan-17                 |
| The SVC Bank Limited | 18.55                           | PLR - 6.50%              | 48 [Monthly]       | 31-Jan-17                 |
| The SVC Bank Limited | 50.81                           | PLR - 6.50%              | 48 [Monthly]       | 31-Jan-17                 |
| The SVC Bank Limited | 72.98                           | PLR - 6.50%              | 48 [Monthly]       | 31-Jan-17                 |
| Punjab National Bank | 319.00                          | BR + 0.25% + TP<br>0.5%  | 48 [Monthly]       | 31-Jan-17                 |
| Union Bank of India  | 40.00                           | 11.00%                   | 48 [Monthly]       | 01-Jan-17                 |
| IDBI Bank Ltd        | 270.00                          | BBR + 0.75%              | 48 [Monthly]       | 01-Jan-17                 |
| Union Bank of India  | 150.00                          | 11.00%                   | 48 [Monthly]       | 01-Jan-17                 |
| ICICI Bank Ltd       | 444.00                          | PNB BASE RATE +<br>0.75% | 48 [Monthly]       | 31-Jan-17                 |
| ICICI Bank Ltd       | 15.00                           | PNB BASE RATE +<br>0.75% | 48 [Monthly]       | 31-Jan-17                 |

**Note 20**

(All amounts are in lakhs, except share data and as stated)

**Non - current financial liabilities - others**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Other financial liabilities carried at amortised cost</b> |                         |                         |
| Sundry Deposits  | 347.32                  | 311.59                  |
| <b>Total</b>   | <b>347.32</b>           | <b>311.59</b>           |

**Note 21**
**Non - current provisions**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Provision for employee benefits (Refer note 41)</b> |                         |                         |
| Gratuity   | 226.72                  | 183.45                  |
| <b>Total</b>   | <b>226.72</b>           | <b>183.45</b>           |

**Note 22**
**Current financial liabilities - borrowings**

| Particulars                       | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------------------|-------------------------|-------------------------|
| <b>Secured</b>                    |                         |                         |
| <b>Working Capital Loans :</b>    |                         |                         |
| From Banks (Cash credit accounts) | 12,105.88               | 11,503.01               |
| <b>Total</b>                      | <b>12,105.88</b>        | <b>11,503.01</b>        |

**Note 23**
**Current financial liabilities - Trade payables**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Trade payables</b>  |                         |                         |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 13,344.03               | 16,138.96               |
| <b>Total</b>   | <b>13,344.03</b>        | <b>16,138.96</b>        |

Trade payables include dues from private companies in which any director is a partner, director or a member is ₹ 59.80 lakhs (31 March 2018: ₹ 40.37; 01 April 2017: Nil)

**Note 24**
**Current - Other financial liabilities**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Other financial liabilities carried at amortised cost</b> |                         |                         |
| <b>Current maturities of long-term debt:-</b>                |                         |                         |
| Term Loans   | 1,569.36                | 1,732.00                |
| Vehicle Loans  | 67.58                   | 96.85                   |
| Other payable for Expenses                                   | 1,433.72                | 1,228.52                |
| Payable towards Property, Plant & Equipment                  | 227.98                  | 399.56                  |
| Unclaimed dividends  | 3.69                    | 5.50                    |
| <b>Unsecured</b>   |                         |                         |
| Loans from others - ICD                                      | 525.93                  | 561.70                  |
| <b>Total</b>   | <b>3,828.26</b>         | <b>4,024.13</b>         |



**Note 25**

(All amounts are in lakhs, except share data and as stated)

**Other current liabilities**

| Particulars            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------|-------------------------|-------------------------|
| Advance from customers | 1,003.01                | 960.13                  |
| Statutory dues         | 1,294.30                | 840.46                  |
| <b>Total</b>           | <b>2,297.31</b>         | <b>1,800.59</b>         |

**Note 26****Current Provisions**

| Particulars                            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>Provision for employee benefits</b> |                         |                         |
| Salary & Reimbursement                 | 471.43                  | 403.69                  |
| Gratuity                               | 46.30                   | 47.19                   |
|  | 517.73                  | 450.88                  |
| <b>Other provisions</b>                |                         |                         |
| Provision for expenses                 | 464.10                  | 596.58                  |
| Provision for excise                   | -                       | -                       |
|  | 464.10                  | 596.58                  |
| <b>Total</b>                           | <b>981.83</b>           | <b>1,047.46</b>         |

**Note 27****Current Tax Liabilities**

| Particulars             | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-------------------------|-------------------------|-------------------------|
| Current Tax Liabilities | 1.47                    | 13.91                   |
| TDS Receivable          | (0.43)                  | (0.43)                  |
| <b>Total</b>            | <b>1.04</b>             | <b>13.49</b>            |

**Note 28****Liabilities directly associated with asset classified as held for sale**

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| Liabilities directly associated with asset classified as held for sale | 287.53                  | 252.70                  |
| <b>Total</b>   | <b>287.53</b>           | <b>252.70</b>           |

**Note 29****Revenue from operations**

| Particulars                     | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---------------------------------|--------------------------------------|--------------------------------------|
| <b>Sale of products</b>         |                                      |                                      |
| a) Manufactured goods           | 42,504.16                            | 40,507.97                            |
| b) Traded goods                 | 10,592.02                            | 15,964.27                            |
| <b>Other operating revenues</b> |                                      |                                      |
| Insurance Claim                 | -                                    | 221.92                               |
| Sales-Scrap                     | 106.72                               | 48.00                                |
| Sales -Other than empty bags    | 165.30                               | 44.74                                |
| <b>Total</b>                    | <b>53,368.20</b>                     | <b>56,786.90</b>                     |

### Note 30

(All amounts are in lakhs, except share data and as stated)

#### Other income

| Particulars                               | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Liability no longer required written back | 29.48                                | 272.99                               |
| Provision for doubtful debts reversed     | -                                    | 122.65                               |
| Rent income                               | 25.20                                | 58.20                                |
| Profit on sale of assets                  | -                                    | 47.49                                |
| Recovery on sales & service               | 13.36                                | 16.02                                |
| Job work income                           | 18.05                                | 7.79                                 |
| Other miscellaneous income                | 22.08                                | 5.61                                 |
| Foreign currency gain                     | -                                    | 2.73                                 |
| Dividend income                           | 0.60                                 | 0.60                                 |
| Interest income - Other                   | 14.87                                | -                                    |
| <b>Total</b>                              | <b>123.64</b>                        | <b>534.08</b>                        |

### Note 31

#### Cost of material consumed

| Particulars                           | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Opening stock of raw materials        | 2,085.08                             | 1,315.18                             |
| Add: Purchases of raw materials       |                                      |                                      |
| Resins & chemical                     | 27,919.09                            | 30,739.06                            |
| Carriage inwards                      | 321.61                               | 534.23                               |
| Less:- Closing stock of raw materials | 2,034.19                             | 2,085.08                             |
| <b>Total</b>                          | <b>28,291.59</b>                     | <b>30,503.39</b>                     |

### Note 32

#### Purchase of stock-in-trade

| Particulars                | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|----------------------------|--------------------------------------|--------------------------------------|
| Purchase of stock-in-trade | 9,903.88                             | 15,533.88                            |
| <b>Total</b>               | <b>9,903.88</b>                      | <b>15,533.88</b>                     |

### Note 33

#### Changes in inventories of finished goods, work-in-progress and stock-in-trade

| Particulars                               | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| <b>Opening Inventories</b>                |                                      |                                      |
| Finished goods                            | 12,139.27                            | 8,464.48                             |
| Stock in trade                            | 445.06                               | 434.80                               |
| Work-in-progress                          | 4,259.25                             | 3,947.42                             |
|   | <b>16,843.58</b>                     | <b>12,846.70</b>                     |
| <b>Closing Inventories</b>                |                                      |                                      |
| Finished goods                            | 12,734.29                            | 12,139.27                            |
| Stock in trade                            | 362.93                               | 445.06                               |
| Work-in-progress                          | 2,418.62                             | 4,259.25                             |
|   | <b>15,515.84</b>                     | <b>16,843.58</b>                     |
| Provision for Excise /Excise Credit Taken | -                                    | (516.01)                             |
| <b>Total</b>                              | <b>1,327.74</b>                      | <b>(4,512.89)</b>                    |

**Note 34**

(All amounts are in lakhs, except share data and as stated)

**Excise duty**

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--------------|--------------------------------------|--------------------------------------|
| Excise duty  | -                                    | 857.34                               |
| <b>Total</b> | <b>-</b>                             | <b>857.34</b>                        |

**Note 35****Employee benefit expenses**

| Particulars                               | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Salaries and wages                        | 1,626.50                             | 1,541.69                             |
| Staff welfare expenses                    | 123.21                               | 151.95                               |
| Contribution to provident and other funds | 82.92                                | 126.32                               |
| Directors remuneration                    | 65.70                                | 106.30                               |
| Gratuity fund contributions               | 70.18                                | 87.79                                |
| <b>Total</b>                              | <b>1,968.51</b>                      | <b>2,014.05</b>                      |

**Details of remuneration paid to Directors is as under:**

| Name of Director & Designation                     | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Sanjeev A. Aggarwal - Chairman & Managing Director | 84.00                                | 84.00                                |
| Rishav S. Aggarwal - Whole Time Director           | (18.30)                              | 18.30                                |
| Ashok J. Aggarwal - Whole Time Director            | -                                    | 4.00                                 |
| <b>Total</b>                                       | <b>65.70</b>                         | <b>106.30</b>                        |

- Note:** 1) Mr. Ashok Aggarwal, Whole-time Director of the Company has resigned w.e.f. May 29, 2017.  
 2) Remuneration of ₹ 18.30 Lakhs for F.Y. 2017-2018 paid to Mr. Rishav Aggarwal refunded to the Company during current financial Year 2018-19.

**Note 36****Finance cost**

| Particulars                    | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--------------------------------|--------------------------------------|--------------------------------------|
| Interest expense               |                                      |                                      |
| On Borrowing                   | 999.82                               | 1,209.10                             |
| On working capital facility    | 1,395.36                             | 1,359.42                             |
| On purchase                    | 733.56                               | 916.91                               |
| On vehicle loan                | 20.89                                | 24.25                                |
| Bank charges & processing fees | 112.00                               | 82.88                                |
| Foreign exchange fluctuation   | (0.31)                               | -                                    |
| <b>Total</b>                   | <b>3,261.32</b>                      | <b>3,592.56</b>                      |

**Note 37**

(All amounts are in lakhs, except share data and as stated)

**Other expenses**

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>MANUFACTURING EXPENSES</b>                              |                                      |                                      |
| Labor cost   | 1,853.23                             | 1,998.11                             |
| Power and fuel   | 1,841.18                             | 1,582.99                             |
| Consumption of packing material                            | 612.72                               | 602.88                               |
| Consumption of stores and spare parts                      | 459.33                               | 332.98                               |
| <b>Repair &amp; Maintenance</b>                            |                                      |                                      |
| - Plant & Machinery  | 153.45                               | 137.18                               |
| - Buildings  | 38.16                                | 38.23                                |
| Security expenses  | 83.11                                | 79.26                                |
| Laboratory expenses  | 46.01                                | 40.22                                |
| Insurance- Plant & Machinery                               | 18.49                                | 10.32                                |
| License & Renewal charges                                  | 25.93                                | 10.04                                |
| Factory expenses   | 12.92                                | 3.30                                 |
| <b>Total - A</b>   | <b>5,144.53</b>                      | <b>4,835.52</b>                      |
| <b>ADMINISTRATIVE, SELLING &amp; DISTRIBUTION EXPENSES</b> |                                      |                                      |
| Cartage outwards   | 1,427.41                             | 1,353.94                             |
| Travelling & Conveyance expenses                           | 395.43                               | 429.61                               |
| Sales promotion expenses                                   | 287.93                               | 307.24                               |
| Advertisement expenses                                     | 444.48                               | 217.18                               |
| Legal and Professional                                     | 187.22                               | 206.77                               |
| Commission & Brokerage                                     | 257.42                               | 198.60                               |
| Rates and Taxes  | 158.06                               | 173.18                               |
| Loading & Unloading  | 132.22                               | 143.05                               |
| General expenses   | 55.27                                | 71.64                                |
| Rent   | 107.35                               | 71.34                                |
| Telephone & Postage  | 44.02                                | 53.97                                |
| Printing & Stationery                                      | 25.25                                | 38.26                                |
| <b>Repair &amp; Maintenance</b>                            |                                      |                                      |
| - Office   | 9.55                                 | 34.40                                |
| - Motor car  | 12.24                                | 16.14                                |
| Electricity charges  | 23.06                                | 24.32                                |
| Insurance - Other  | 30.86                                | 20.76                                |
| Security expenses other than plant                         | 12.28                                | 14.99                                |
| <b>Auditor's Remuneration</b>                              |                                      |                                      |
| - Audit fees   | 11.00                                | 10.50                                |
| - Tax Audit fees   | 2.00                                 | 2.00                                 |
| Other Expenses   | 0.33                                 | 0.19                                 |
| Postage & Courier expenses                                 | 10.24                                | 10.27                                |
| Charity & Donation   | 2.18                                 | 4.35                                 |
| Membership & Subscription                                  | 0.06                                 | 0.95                                 |
| Books & Periodical   | 0.10                                 | 0.19                                 |
| Sundry balance written off                                 | 3.46                                 | 0.00                                 |
| Loss on sale of fixed assets                               | 133.20                               | -                                    |
| <b>Total - B</b>   | <b>3,772.61</b>                      | <b>3,403.86</b>                      |
| <b>Total (A+B)</b>   | <b>8,917.14</b>                      | <b>8,239.38</b>                      |

**Note 38**

(All amounts are in lakhs, except share data and as stated)

**Earnings per share**

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Profit / (loss) attributable to equity share holders of the Company  | (968.48)                             | 42.71                                |
| <b>Reconciliation of number of shares</b>                            | <b>No. of Shares</b>                 | <b>No. of Shares</b>                 |
| Weighted average number of shares in calculating Basic & Diluted EPS | 3,38,63,065                          | 3,11,18,216                          |
| <b>Earnings per share (face value ₹ 10/- each)</b>                   |                                      |                                      |
| Earnings per share - Basic in Rupees                                 | <b>(2.86)</b>                        | <b>0.14</b>                          |
| Earnings per share - Diluted in Rupees                               | <b>(2.86)</b>                        | <b>0.14</b>                          |

**Note 39****Leases****As Lessee:****a) Operating Lease:**

The Company has taken office premises on operating lease which are cancellable. These lease and license agreements for the office premises are generally for a period not exceeding one year and are in most cases renewable by mutual consent, on mutually agreeable terms. There are no restrictions imposed by lease arrangements or any contingent rents payable. There are no subleases.

**b) Finance lease:**

The Company has entered into long-term leasing arrangements for land with government authorities which are in the nature of finance lease. These arrangements do not involve any material recurring payments, hence other disclosures are not given.

**Note 40****Related Party Disclosure**

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

**a) Subsidiary Company**

KML Tradelinks Private Limited

**b) Entities in where control/significant influence by Director, KMPs and their relative and with whom transaction has taken place**

Reliance Industrial Product

Zitura Investment & Finance Pvt Ltd

Ladderup Finance Ltd

**c) Key Managerial Personnel**

Sanjeev A. Aggarwal - Chairman & Managing Director

Rishav S. Aggarwal - Whole time Director

**d) Relatives of Key Managerial Personnel**

Nishi Sanjeev Aggarwal

Neerav Sanjeev Aggarwal

**e) Non Executive Directors**

Anjana Motwani

Sunil Goyal

Praveen Kumar Tripathi

H. S. Upendra Kamath

Urvashi Dharadhar

\*Note: 1. Ms. Anjana Motwani Independent Director of the Company has resigned from the directorship w.e.f. August 10, 2018.  
2. Mrs. Urvashi Dharadhar was appointed as Additional Director [Independent] of the Company w.e.f. November 14, 2018.

(All amounts are in lakhs, except share data and as stated)

| f) Transactions with related parties during the year                    |  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--|--------------------------------------|--------------------------------------|
| <b>i) Directors remuneration</b>  |  |                                      |                                      |
| Key managerial personnel  |  | 84.00                                | 106.30                               |
| <b>ii) Sitting fees</b>   |  |                                      |                                      |
| Non Executive Director  |  | 2.45                                 | 2.50                                 |
| <b>iii) Salary</b>  |  |                                      |                                      |
| Relatives of key managerial personnel                                   |  | 16.08                                | 12.66                                |
| <b>iv) Rent Received</b>  |  |                                      |                                      |
| Subsidiary  |  | 1.20                                 | 3.24                                 |
| <b>v) Loans and advances</b>  |  |                                      |                                      |
| Entites where control/significant influence by Director                 |  | 14.00                                | 7.50                                 |
| <b>vi) Other expenses</b>   |  |                                      |                                      |
| Reimbursement of Expenses to Non Executive Director                     |  | 0.10                                 | 0.28                                 |
| Entites where control/significant influence by Director [Rent]          |  | 42.00                                | 9.00                                 |
| <b>g) Related party balances</b>  |  | <b>As at<br/>March 31, 2019</b>      | <b>As at<br/>March 31, 2018</b>      |
| <b>i) Directors remuneration payable*</b>                               |  |                                      |                                      |
| Key managerial personnel  |  | 0.28                                 | 9.50                                 |
| <b>ii) Sitting Fees payable</b>   |  |                                      |                                      |
| Non Executive Director  |  | -                                    | 2.30                                 |
| <b>iii) Salary payable</b>  |  |                                      |                                      |
| Relatives of key managerial personnel                                   |  | 2.82                                 | 1.27                                 |
| <b>iv) Trade / Deposit/ Loan Receivables</b>                            |  |                                      |                                      |
| Entites where control / significant influence by Director - Rent        |  | 35.66                                | 65.05                                |
| Entites where control / significant influence by Director -Rent Deposit |  | 350.00                               | 347.65                               |
| <b>v) Trade/Expenses/Loan payables</b>                                  |  |                                      |                                      |
| Entites where control/significant influence by Director                 |  | 273.79                               | 7.50                                 |
| Key Managerial Personnel  |  | 5.92                                 | 5.92                                 |

\*As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

#### Note 41 Employee benefits

##### (A) Defined benefit plans

Gratuity liability is provided in accordance with the provisions of the Payment of Gratuity Act, 1972 based on actuarial valuation. The plan provides a lump sum gratuity payment to eligible employee at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:-



(All amounts are in lakhs, except share data and as stated)

| Particulars   | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
|   | Gratuity (Funded)                    |                                      |
| <b>I Expenses recognised in profit or loss:-</b>                      |                                      |                                      |
| 1 Current Service Cost  | 47.19                                | 42.93                                |
| 2 Interest cost   | 15.74                                | 11.48                                |
| 3 Past Service Cost   | -                                    | -                                    |
| <b>Total Expenses</b>   | <b>62.92</b>                         | <b>54.42</b>                         |
| <b>II Expenses recognised in Other Comprehensive Income</b>           |                                      |                                      |
| 1 Actuarial changes arising from changes in demographic assumptions   | -                                    | -                                    |
| 2 Actuarial changes arising from changes in financial assumptions     | 3.33                                 | (10.85)                              |
| 3 Actuarial changes arising from changes in experience adjustments    | (18.69)                              | 3.13                                 |
| 4 Return on plan assets excluding amounts included in interest income | (0.04)                               | 0.78                                 |
| <b>Total Expenses</b>   | <b>(15.39)</b>                       | <b>(6.95)</b>                        |
| <b>III Reconciliation of defined benefit obligation</b>               |                                      |                                      |
| Defined Obligations at the beginning of the year                      | 275.06                               | 240.87                               |
| Current Service Cost  | 47.19                                | 42.93                                |
| Interest cost   | 19.37                                | 15.76                                |
| Actuarial changes arising from changes in financial assumptions       | 3.33                                 | (10.85)                              |
| Actuarial changes arising from changes in experience adjustments      | (18.69)                              | 3.13                                 |
| Benefit paid  | (24.04)                              | (16.77)                              |
| <b>Net asset / (liability) at the end of the year</b>                 | <b>302.22</b>                        | <b>275.06</b>                        |
| <b>IV Reconciliation of plan assets</b>                               |                                      |                                      |
| Opening value of plan assets  | 44.41                                | 57.68                                |
| Interest Income   | 3.64                                 | 4.28                                 |
| Return on plan assets excluding amounts included in interest income   | 0.04                                 | (0.78)                               |
| Contributions by employer   | 5.25                                 | -                                    |
| Benefits paid   | (24.04)                              | (16.77)                              |
| <b>Closing value of plan assets</b>                                   | <b>29.19</b>                         | <b>44.41</b>                         |
| (Plan assets comprise 100% of insurance policies)                     |                                      |                                      |

| Particulars  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
| <b>V Quantitative sensitivity analysis for significant assumptions is as below:</b>  |                         |                         |
| 1 Increase/(decrease) on present value of defined benefit obligation at the end of the year  |                         |                         |
| (i) 0.5 percent point increase in discount rate  | 291.39                  | 264.97                  |
| (ii) 0.5 percent point decrease in discount rate   | (313.85)                | (285.91)                |
| (iii) 0.5 percent point increase in rate of salary increase  | 313.49                  | 285.97                  |
| (iv) 0.5 percent point decrease in rate of salary increase   | (291.47)                | (265.11)                |
| (v) 10 percent point increase in withdrawal rate   | 303.47                  | 276.82                  |
| (vi) 10 percent point decrease in withdrawal rate  | (300.77)                | (273.08)                |
| <b>2 Sensitivity analysis method</b>   |                         |                         |
| Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count. |                         |                         |

(All amounts are in lakhs, except share data and as stated)

| Particulars   | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| <b>VI The expected future cash flows were as follows:</b> |                         |                         |
| 1st following year  | 45.67                   | 40.28                   |
| 2nd following year  | 29.85                   | 21.01                   |
| 3rd following year  | 25.23                   | 22.00                   |
| 4th following year  | 29.32                   | 31.09                   |
| 5th following year  | 27.97                   | 23.48                   |
| Years 6 to 10   | 117.54                  | 117.02                  |

| Particulars   | As at<br>March 31, 2019                                    | As at<br>March 31, 2018                                    |
|---|--|--|
| <b>VII Net Asset / (Liability) recognised as at balance sheet date:</b> |  |  |
| 1 Present value of defined benefit obligation                           | 302.22   | 275.06   |
| 2 Fair value of plan assets   | 29.19  | 44.41  |
| 3 Net Asset /(Liability)  | (273.04)   | (230.66)   |
| <b>VIII Actuarial Assumptions:</b>                                      |  |  |
| 1 Discount rate   | 7.45%  | 7.60%  |
| 2 Expected rate of salary increase                                      | 6.00%  | 6.00%  |
| 3 Withdrawal rate   | 7.00%  | 7.00%  |
| 4 Mortality   | Indian Assured<br>Lives Mortality<br>(2006-08)<br>Ultimate | Indian Assured<br>Lives Mortality<br>(2006-08)<br>Ultimate |

**Notes:**

- a) Amount recognised as an expense in the Statement of Profit and Loss and included in Note 35 under "Employee benefit expenses" : Gratuity ₹ 70.18 lakhs (Previous year - ₹ 87.79 lakhs).
- b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- c) The plan above is typically exposed to actuarial risk such as interest risk, mortality risk and salary risk
  - a) Interest risk: The decrease in the bond interest rate will increase the liability.
  - b) Mortality risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
  - c) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability."

**(B) Defined contribution plan -**

The Company makes contributions towards provident fund and other funds which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Amount recognised as an expense in the Statement of Profit and Loss - included in Note 35 - "Contribution to provident and other funds" ₹ 82.92 lakhs (Previous year - ₹ 126.32 lakhs).

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**Note 42**

(All amounts are in lakhs, except share data and as stated)

**Financial Instruments - Fair Value**

- Carrying value of financial assets and financial liabilities, are presented below.
- It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| As at March 31, 2019                                | Carrying Value   |                  |
|---|------------------|------------------|
|   | Amortised Cost   | Total            |
| <b>Financial Assets</b>                             |                  |                  |
| Other Non Current Investments                       | 6.56             | 6.56             |
| Security deposits                                   | 682.98           | 682.98           |
| Loans to employees                                  | 217.83           | 217.83           |
| Trade receivables                                   | 14,664.47        | 14,664.47        |
| Cash and cash equivalents                           | 417.41           | 417.41           |
| Bank balance (other than Cash and cash equivalents) | 1,102.42         | 1,102.42         |
| Other Current Financial Asset                       | 305.31           | 305.31           |
| <b>Total</b>  | <b>17,396.98</b> | <b>17,396.98</b> |
| <b>Particulars</b>                                  |                  |                  |
| Borrowings  | 18,521.46        | 18,521.46        |
| Deposits  | 347.32           | 347.32           |
| Trade payables                                      | 13,344.03        | 13,344.03        |
| Other financial liabilities                         | 3,828.26         | 3,828.26         |
| <b>Total</b>  | <b>36,041.07</b> | <b>36,041.07</b> |

| As at March 31, 2018                                | Carrying Value   |                  |
|---|------------------|------------------|
|   | Amortised Cost   | Total            |
| <b>Financial Assets</b>                             |                  |                  |
| Other Non Current Investments                       | 6.56             | 6.56             |
| Security deposits                                   | 693.71           | 693.71           |
| Loans to Employees                                  | 216.38           | 216.38           |
| Trade receivables                                   | 16,245.51        | 16,245.51        |
| Cash and cash equivalents                           | 366.64           | 366.64           |
| Bank balance (other than Cash and cash equivalents) | 1,094.57         | 1,094.57         |
| Other Current Financial Asset                       | 381.43           | 381.43           |
| <b>Total</b>  | <b>19,004.80</b> | <b>19,004.80</b> |
| <b>Particulars</b>                                  |                  |                  |
| Borrowings  | 19,241.60        | 19,241.60        |
| Deposits  | 311.59           | 311.59           |
| Trade payables                                      | 16,138.96        | 16,138.96        |
| Other financial liabilities                         | 4,024.13         | 4,024.13         |
| <b>Total</b>  | <b>39,716.28</b> | <b>39,716.28</b> |

**Note 43**

(All amounts are in lakhs, except share data and as stated)

**Financial risk management**

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

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

**Risk management framework**

"The Company's Risk Management Framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks in achieving key business objectives.

The Company has laid down the procedure for risk assessment and their mitigation through an Audit Committee. Key risks and their mitigation arising out of periodic reviews by the Committee are assessed and reported to the Board of Directors of the Company, on a periodic basis.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to policies and procedures.

The Company has an independent Internal Audit and assurance team. There is a practice of reviewing various key select risks and report to Audit Committee from time to time. The Company, has also, during the year, has adopted a co-sourced model for internal audit. The internal audit team carry out internal audit reviews in accordance with the approved internal audit plan. Internal audit team reviews the status of implementation of internal audit recommendations. Summary of Critical observations if any and recommendations under implementation are reported to the Audit Committee."

**i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and cash and cash equivalents. The Company makes provision on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has a detailed review mechanism of overdue trade receivables at various levels in the organisation to ensure proper attention and focus on realisation.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows :-

| Particulars            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------|-------------------------|-------------------------|
| Not past due           | 5,981.18                | 4,235.35                |
| Past due 1-360 days    | 4,583.55                | 6,253.40                |
| Past due 361- 720 days | 851.84                  | 839.29                  |
| more than 720 days     | 3,133.94                | 2,667.98                |
| <b>Total</b>           | <b>14,550.50</b>        | <b>13,996.02</b>        |

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows :-

| Particulars             | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-------------------------|-------------------------|-------------------------|
| Opening Balance         | 2,211.82                | 2,423.37                |
| Changes during the year | -                       | (211.55)                |
| Closing Balance         | <b>2,211.82</b>         | <b>2,211.82</b>         |

**Cash and cash equivalents**

The Company held cash and cash equivalents and bank deposits with banks. The credit worthiness of such banks are evaluated by the management on an on-going basis and is considered to be good.

**Others**

Other than trade receivables reported above , the Company has no other financial assets that is past due but not impaired.

**ii. Liquidity risk**

(All amounts are in lakhs, except share data and as stated)

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities. The Company monitors the net liquidity position through forecasts on the basis of expected cash flows.

The Company has obtained fund and non-fund based working capital lines from various banks.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

**Contractual cash flows**

| As at March 31, 2019  | Carrying amt.    | Total            | 0-12 months      | 1- 5 years      | More than 5 years |
|---|------------------|------------------|------------------|-----------------|-------------------|
| <b>Non-derivative financial liabilities</b>                       |                  |                  |                  |                 |                   |
| Term loans from banks/Financial Institutions (including interest) | 7,573.26         | 9,369.17         | 2,380.63         | 6,704.07        | 284.47            |
| Vehicle loan  | 182.85           | 279.87           | 86.08            | 193.79          | -                 |
| Working capital loans from banks                                  | 12,105.88        | 12,105.88        | 12,105.88        | -               | -                 |
| Trade payables and Other Current Financial Liabilities            | 17,459.82        | 17,459.82        | 17,459.82        | -               | -                 |
|   | <b>37,321.81</b> | <b>39,214.75</b> | <b>32,032.42</b> | <b>6,897.87</b> | <b>284.46</b>     |

| As at March 31, 2019  | Carrying amt.    | Total            | 0-12 months      | 1- 5 years      | More than 5 years |
|---|------------------|------------------|------------------|-----------------|-------------------|
| <b>Non-derivative financial liabilities</b>                       |                  |                  |                  |                 |                   |
| Term loans from banks/Financial Institutions (including interest) | 9,291.91         | 12,102.65        | 2,733.48         | 8,584.28        | 784.89            |
| Vehicle loan  | 234.07           | 382.63           | 102.76           | 279.25          | 0.62              |
| Working capital loans from banks                                  | 11,503.01        | 11,503.01        | 11,503.01        | -               | -                 |
| Trade payables and Other Current Financial Liabilities            | 20,415.79        | 20,415.79        | 20,415.79        | -               | -                 |
|   | <b>41,444.77</b> | <b>44,404.07</b> | <b>34,755.03</b> | <b>8,863.51</b> | <b>785.52</b>     |

**iii. Interest rate risk**

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

**Exposure to interest rate risk**

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows

| Particulars                      | Nominal amount       |                      |
|----------------------------------|----------------------|----------------------|
|                                  | As at March 31, 2019 | As at March 31, 2018 |
| <b>Variable-rate instruments</b> |                      |                      |
| Financial liabilities            | 11,390.70            | 20,824.60            |
|                                  | <b>11,390.70</b>     | <b>20,824.60</b>     |
| <b>Fixed-rate instruments</b>    |                      |                      |
| Financial liabilities            | 1,062.50             | 1,119.14             |
| Financial asset                  | 682.98               | 693.72               |
|                                  | <b>1,745.48</b>      | <b>1,812.86</b>      |

**Interest rate sensitivity - fixed rate instruments.**

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss for any of these fixed interest bearing financial instruments.

(All amounts are in lakhs, except share data and as stated)

#### Interest rate sensitivity - variable rate instruments.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

| Variable-rate instruments | Impact on Profit/ (loss)-<br>Increase / (Decrease) in Profit |   |
|---------------------------|--|---|
| Particulars               | For the year<br>ended March<br>31, 2019                      | For the year<br>ended March<br>31, 2018 |
| 100 bp increase           | (113.91)   | (208.25)                                |
| 100 bp decrease           | 113.91   | 208.25                                  |

#### iv. Market risk :-

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other prices such as equity price. These will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Financial instruments affected by market risk include loans, borrowings and deposits. The Market risk which the Company is exposed can be classified as Currency risk and Interest rate risk.

#### v. Currency risk :-

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

| Particulars    | Currency | As at March 31, 2019             |                  |            | As at March 31, 2018             |                  |            |
|----------------|----------|----------------------------------|------------------|------------|----------------------------------|------------------|------------|
|                |          | Amount<br>in Foreign<br>Currency | Exchange<br>Rate | ₹ in lakhs | Amount<br>in Foreign<br>Currency | Exchange<br>Rate | ₹ in lakhs |
| Trade Payables | USD      | -                                | -                | -          | 64,639                           | 65.29            | 42.20      |

#### Note 44

##### Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual and long-term strategic plans. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of 'adjusted net debt' to 'adjusted equity'. For this purpose adjusted net debt is defined as total liabilities comprising interest bearing loans and borrowings and obligations under finance lease, less cash and cash equivalents, Bank balance and current investments. Adjusted equity comprises Equity attributable to the shareholders of the Company (other than amounts accumulated in the hedging reserve, if any.)

The following table summarizes the capital of the Company:

| Particular  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| Total Borrowings (including accrued interest)                         | 20,158.40               | 21,070.45               |
| Less : Cash and cash equivalents, Bank balance and Current investment | 1,526.39                | 1,467.77                |
| <b>Adjusted net debt</b>  | <b>18,632.01</b>        | <b>19,602.68</b>        |
| <b>Adjusted equity</b>  | <b>16,474.70</b>        | <b>17,432.66</b>        |
| Adjusted net debt to adjusted equity ratio                            | 1.13                    | 1.12                    |

#### Note 45

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

| Particular  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| <b>Contingent Liabilities</b>                                       |                         |                         |
| Sales tax liabilities   | 5,835.68                | 8,635.40                |
| Guarantees given by Banks and Financial Institutions against Export | 628.18                  | 618.95                  |



**Note 46**

(All amounts are in lakhs, except share data and as stated)

**Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary**

| Name of the Enterprise   | Net Assets i.e. total assets minus total liabilities |                   | Share in profit or loss             |                   | Share in other comprehensive income             |                   | Share in total comprehensive income |                   |
|--|--|-------------------|-------------------------------------|-------------------|---|-------------------|-------------------------------------|-------------------|
|  | As % of consolidated net assets                      | Amount ₹ in lakhs | As % of consolidated profit or loss | Amount ₹ in lakhs | As % of consolidated other comprehensive income | Amount ₹ in lakhs | As % of total comprehensive income  | Amount ₹ in lakhs |
| <b>Parent</b>  |  |                   |                                     |                   |   |                   |                                     |                   |
| Kisan Mouldings Limited  | 94.49  | 16,474.70         | (2,275.78)                          | (971.86)          | 229.76  | 10.53             | (2,032.88)                          | (961.33)          |
| <b>Subsidiaries</b>  |  |                   |                                     |                   |   |                   |                                     |                   |
| KML Tradelink Pvt Ltd  | 0.27   | 46.28             | 7.89                                | 3.37              | -   |                   | 7.13                                | 3.37              |
| <b>Sub Total</b>   | <b>94.76</b>   | <b>16,520.98</b>  | <b>(2,267.89)</b>                   | <b>(968.49)</b>   | <b>229.76</b>                                   | <b>10.53</b>      | <b>(2,025.74)</b>                   | <b>(957.96)</b>   |
| Add / (Less): Effect of Inter Company elimination / adjustment | -  | (1.00)            |                                     |                   |   |                   |                                     |                   |
| <b>Total</b>   | <b>100.00</b>  | <b>16,519.98</b>  | <b>100.00</b>                       | <b>(968.49)</b>   | <b>100.00</b>                                   | <b>10.53</b>      | <b>100.00</b>                       | <b>(957.96)</b>   |

As per our attached report of even date

**For ADV & Associates**

Chartered Accountants

Firm Registration No. 128045W

**Prakash Mandhaniya**

Partner

Membership No. 421679

Date:- May 21, 2019

Place:- Mumbai

**For and on behalf of the Board of Directors of,****Kisan Mouldings Limited.****Sanjeev A. Aggarwal**

DIN: 00064076

**Chairman & Managing Director****Rishav S. Aggarwal**

DIN: 05155607

**Whole Time Director****Dharak A. Mehta**

ICSI M.No. 40502

**Company Secretary**

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE 30TH (THIRTIETH) ANNUAL GENERAL MEETING OF THE MEMBERS OF KISAN MOULDINGS LIMITED WILL BE HELD ON SATURDAY, 21ST DAY OF SEPTEMBER, 2019 AT 4:30 P.M. AT MIRAGE HOTEL, INTERNATIONAL AIRPORT APPROACH ROAD, ANDHERI-KURLA ROAD, MAROL, ANDHERI (EAST), MUMBAI - 400 059 TO TRANSACT THE FOLLOWING BUSINESS:-**

## **ORDINARY BUSINESS:**

### **1. ADOPTION OF ANNUAL AUDITED FINANCIAL STATEMENTS AND REPORT THEREON**

To receive, consider and adopt

- a) The audited financial statements of the Company for the Financial Year ended on March 31, 2019 together with the Reports of the Board of Directors and the Auditors thereon.
- b) The audited consolidated financial statements of the Company for the Financial Year ended on March 31, 2019 and the reports of auditors thereon.

### **2. APPOINTMENT OF DIRECTOR IN PLACE OF THOSE RETIRING BY ROTATION**

To appoint a Director in place of Mr. Rishav Aggarwal (DIN: 05155607), Whole-time Director, who retires by rotation and being eligible, offers himself for re-appointment.

## **SPECIAL BUSINESS:**

### **3. RATIFICATION OF REMUNERATION TO COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2020**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force),

the remuneration payable to M/s Bhanwarlal Gurjar & Co., Cost Accountants, (Firm Registration Number: 101540) Mumbai, appointed by the Board of Directors of the Company, on recommendation of Audit Committee, to conduct the Cost audit of cost records of the Company for the Financial Year ending March 31, 2020, amounting to ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) plus applicable taxes and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby severally authorised to settle any question, difficulty or doubt, that may arise in giving the effect to this resolution and to do all such acts, deeds, and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

### **4. APPOINTMENT OF MRS. URVASHI ANAND DHARADHAR (DIN: 08279196) AS AN INDEPENDENT DIRECTOR**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152, and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and Rules made thereunder read with Schedule IV of the Act, as amended from time to time, Mrs. Urvashi Anand Dharadhar (DIN: 08279196), who was appointed as an Additional Director, by the Board of Directors of the Company with effect from November 14, 2018, to hold office upto the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria of Independence as provided under Section 149(6) of the Act and is eligible for appointment and in respect of whom the Company has received a notice in writing as required under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of five (5) consecutive years, with effect from November 14,

2018 AND THAT Mrs. Urvashi Anand Dharadhar shall not be liable to retire by rotation during the said period.

**5. RE-APPOINTMENT OF MR. SANJEEV A AGGARWAL AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (hereinafter referred to as “the said Act” including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and upon recommendation of the Nomination and Remuneration Committee and Audit Committee of the Board of Directors, consent letter to act as Director of the Company and confirmation on not debarred from holding the office of Director pursuant to any SEBI order or any other such authority, pursuant to Circular No. LIST/COMP/14/2018-19 Dated June 20, 2018 w.r.t. Enforcement of SEBI Orders Regarding Appointment of Directors By Listed Companies, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Sanjeev A Aggarwal (DIN:00064076) as Chairman & Managing Director of the Company, for a period of 3 (three) years with effect from April 01, 2019, inter alia on the following terms and conditions;

**REMUNERATION PAYABLE TO MR. SANJEEV A AGGARWAL**

**A. Salary:**

The Salary of ₹ 7,00,000/- (Rupees Seven Lakhs Only) per month.

**B. Perquisites:**

Mr. Sanjeev Aggarwal shall also be entitled to perquisites like:

- i. Rent-free furnished accommodation or house rent allowance in lieu thereof, not exceeding 50% of the basic salary plus actual electricity charges, gas bill, society maintenance, property tax, water charges, home servant salary for his house.
- ii. Leave Travel Allowance/ Concession for self and family once in year as per actual

amount spent towards air ticket, hotel, and other incidental expenses like car/taxi charges, porter charges etc.

- iii. Mr. Sanjeev Aggarwal shall be covered under Key Managerial Personnel insurance policy or equivalent other insurance policy taken by the Company and personal accident insurance policy as per the rules of the Company.
- iv. Reimbursement of all medical expenses for self and family including hospitalization in India or abroad.
- v. The Company's contribution towards Provident Fund, if applicable. Such contribution shall not be included in the computation of the ceiling on remuneration to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
- vi. Gratuity as per applicable laws which shall not be included in the computation of the ceiling on minimum remuneration.
- vii. Leave encashment in accordance with the rules of the Company.
- viii. Use of chauffeur driven Company's maintained Cars for private and official purposes.
- ix. Use of Company's telephone at residence for official and personal purposes and Company paid mobile phone for official and personal use.
- x. Other/ Special allowances applicable as per Company's policy.

“Family” for the purpose of this agreement shall mean the self, spouse, the children and the parents of Mr. Sanjeev Aggarwal.

The perquisites and allowances, wherever applicable, shall be valued as per the Income Tax Rules, 1962.

**RESOLVED FURTHER THAT** notwithstanding anything hereinabove stated, where in any financial year during the currency of the term of Mr. Sanjeev Aggarwal as the Chairman & Managing Director, the Company incurs loss or its profit is inadequate, the Company shall be paid to Mr. Sanjeev Aggarwal minimum remuneration by way of salary, allowances and perquisites within the limit specified in Part II of Schedule V of the said Act.

**RESOLVED FURTHER THAT** the Board (including its Committee thereof) be and is hereby authorised to alter, vary and modify the said remuneration including salary, allowances and perquisites in such manner as may be agreed upon between the Board and Mr.

Sanjeev Aggarwal, Chairman & Managing Director within and in accordance with and subject to the limits prescribed in Schedule V of the said Act or any amendment(s) and/or any statutory modification(s) thereto, and if necessary, as may be stipulated by the Central Government and as may be agreed to accordingly between the Board and Mr. Sanjeev Aggarwal;

**RESOLVED FURTHER THAT** any of the Directors or the Company Secretary of the Company be and are hereby severally authorized to sign and submit necessary papers, documents, forms, etc. with the Registrar of Companies (ROC) and/or any other authority and to do all such acts, deeds, matters and things as may be necessary, expedient and desirable, for and on behalf of the Company, to give effect to the aforesaid resolution.”

By order of the Board of Directors of

**KISAN MOULDINGS LIMITED**

**Sd/-**

**Dharak A. Mehta**

Company Secretary & Compliance Officer

ICSI Membership No. : ACS40502

**Kisan Mouldings Limited**

L17120MH1989PLC054305

**Registered Office:**

26 'A', 3rd Floor, K-wing, "Tex Centre",

Chandivali, Off Saki Vihar Road,

Andheri (East), Mumbai – 400 072

CIN: L17120MH1989PLC054305

Tel.: 022- 4200 9100/ 9200.

Fax: 28478508.

E-mail: [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com)

Place: Mumbai

Date: August 14, 2019

## NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting ('AGM') and the relevant details of director seeking appointment and re-appointment as required under Regulation 26(4) and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as required under Secretarial Standards -2 on General Meetings issued by the

Institute of Company Secretaries of India is annexed thereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL ONLY, ON HIS/HER BEHALF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE ANNUAL GENERAL MEETING IS ENCLOSED.
3. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting, held on September 03, 2016.
4. Members/ Proxies are requested to bring this notice and Annual Report for their reference.
5. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A proxy form is annexed to this Report.
6. Proxies submitted on behalf of limited companies, societies, Partnership Firm etc. must be supported by an appropriate resolution/authority, as applicable.
7. Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send to the Company, a duly certified true copy of the Board resolution pursuant to section 113 of the Companies Act, 2013 together with their respective specimen signature authorising their representative to attend and vote on their behalf at the Annual General Meeting.
8. In case of joint holders attending the meeting, the members whose name appears first holder in the order of names as per Register of Members of the Company will be entitled to vote.
9. The notice is being sent to all the shareholders, whose name appear on the Register of Members/ List of Beneficial owners as received from M/s.

Sharex Dynamic (India) Private Limited (RTA) as on August 16, 2019.

10. The Register of Members and Share Transfer Books of the Company will remain closed from September 14, 2019 to September 21, 2019 (both days inclusive) for the purpose of AGM.
11. Members who wish to claim dividends, which have remained unclaimed, are requested to contact the Secretarial Department, at the Registered Office of the Company or office of the Registrar and Share Transfer Agent of the Company i.e. M/s. Sharex Dynamics (India) Private Limited. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's unpaid Dividend account will be transferred to the Investor Education Protection Fund (IEPF), as per provisions of Section 124 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force). Dividend for the Financial Year 2011-12 is due for transfer to IEPF in the month of December, 2019. Shareholders are requested to ensure that they claim the dividend before transfer of the said amount to IEPF. The Company has uploaded the information of unclaimed/ unpaid dividend in respect of the Financial years on the website of IEPF viz. "[www.iepf.gov.in](http://www.iepf.gov.in)" and under "Investor Relations" Section on the website of the Company viz. "[www.kisangroup.com](http://www.kisangroup.com)"
12. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate the risk associated with physical shares and for ease of portfolio management. Also, they are requested to intimate any change of address and/or details of PAN and Bank account details to M/s. Sharex Dynamics (India) Private Limited, the Registrar and Share Transfer Agent of the Company immediately.
13. Members, Proxies and Authorised Representatives are requested to bring to the Meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/Folio No.
14. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same by submitting a letter

to M/s. Sharex Dynamics (India) Private Limited, Registrar and Share Transfer Agent of the Company. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

15. As a part of green initiative, Notice of the AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of Notice of the AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.
16. The route map showing directions to reach the venue of this AGM is annexed to this notice.
17. The Board of Directors has appointed M/s. AVS & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
18. Members may note that the Notice of 30<sup>th</sup> Annual General Meeting and the Annual Report for the Financial Year 2018-19 is available on the Company's website viz. <http://www.kisangroup.com/investorrelations/annualreport.php>

The physical copy of the aforesaid documents will also be available at the registered office of the Company for inspection during normal business hours on working days. A printed copy of the Notice will be furnished to the member, free of cost upon receipt of a duly signed request for the same.

19. In compliance with the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility to Members of the



Company to cast their vote on the resolutions proposed to be passed at AGM by electronic means, through the e-voting services provided by the Central Depository Services (India) Limited ('CDSL').

20. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on September 14, 2019 (Saturday), are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 9.00 a.m. on September 17, 2019 (Tuesday) and will end at 5.00 p.m. on September 20, 2019 (Friday). In addition, the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

21. Procedure for Remote E-voting

The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:

- (i) The voting period begins at 9.00 a.m. on September 17, 2019 (Tuesday) and ends at 5.00 p.m. on September 20, 2019 (Friday). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 14, 2019 (Saturday) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders/ Members.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

| <b>For Members holding shares in Demat Form and Physical Form</b> |   |
|---|---|
| PAN   | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)   |
|   | <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in which is printed on Postal Ballot/ Attendance Slip indicated in the PAN field.</li> </ul> |
| Dividend Bank Details OR Date of Birth (DOB)                      | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  |
|   | <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>                        |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <KISAN MOULDINGS LIMITED > on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.



- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

[cdslindia.com](http://cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

### Other Instructions

- I. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 14, 2019 (Saturday).
- II. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- III. The scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and the Chairman or the person authorized by him in writing shall declare the result of the voting forthwith.
- IV. The results declared along with the report of the scrutinizer shall be placed on the website of the Company <http://www.kisangroup.com/investorrelations/annualreport.php> and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

# EXPLANATORY STATEMENT

**As required by Section 102 of the Companies Act, 2013 (“the Act”), the following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:**

## Item No. 3

The Board of Directors at its meeting held on May 21, 2019, on the recommendation of the Audit Committee, had considered and approved the appointment and remuneration of M/s. Bhanwarlal Gurjar & Co., Surat, Cost Accountants (Firm Registration No. 101540), as the Cost Auditor for the audit of the cost accounting records of the Company for the Financial Year ending March 31, 2020, at a remuneration of ₹ 2.50 lakhs (Rupees Two Lakhs Fifty Thousand only) excluding taxes and reimbursement of out of pocket expenses at actuals, if any, in connection with audit.

M/s. Bhanwarlal Gurjar & Co., Cost Accountants (Firm Registration No. 101540) have confirmed that they hold a valid certificate of practice under sub section (1) of Section 6 of the Cost and Work Accountants Act, 1959.

Pursuant to provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company, if required, for the financial year ending March 31, 2020.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed ordinary resolution set out at Item No. 3 of the Notice.

## Item No. 4

Pursuant to recommendation of the Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company, the Board of Directors of the Company approved the appointment of Mrs. Urvashi Anand Dharadhar (DIN: 08279196) as an Additional Director in the category of Non-Executive (Independent) Director of the Company, for a period of five (5) consecutive years, w.e.f. November 14,

2018. Under Section 161 of the Companies Act, 2013, read with Article 85 of the Articles of Association of the Company, she continues to hold office as an Additional Non-Executive (Independent) Director of the Company, until the conclusion of the ensuing Annual General Meeting.

Notice under Section 160 of the Companies Act, 2013 has been received from a Member indicating her intention to propose Urvashi Anand Dharadhar (DIN: 08279196) for the office of Director at the ensuing AGM.

The NRC at its meeting held on August 14, 2019 had determined that Mrs. Urvashi Anand Dharadhar (DIN: 08279196) is a fit and proper person to be appointed as a Director of the Company, and that she has provided to the Company her consent to act as Director of the Company and has given declaration to the Board that she meets the criteria of Independent Director as provided under Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (“SEBI Listing Regulations 2015”).

The brief profile of Mrs. Urvashi Anand Dharadhar (DIN: 08279196), in terms of the Regulation 36(3) of the SEBI Listing Regulations, 2015 and the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, have been provided to this Notice.

Pursuant to Section 149 and Schedule IV of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) and/or re-enactment(s) for the time being in force), Mrs. Urvashi Anand Dharadhar (DIN: 08279196), if appointed, shall not be liable to retire by rotation during the said period. She will be paid sitting fees and reimbursement of out of pocket expenses at actual.

Except for Mrs. Urvashi Anand Dharadhar and her relatives, none of the other Directors and the Key Managerial Personnel of the Company and their relatives are in any way financially or otherwise concerned or interested in the passing of the resolution as set out in item no. 4 of this notice.

The Board recommends the passing of the Ordinary resolution, as set out in item 4 of this notice.

**Item No. 5**

Mr. Sanjeev A. Aggarwal (DIN: 00064076) was appointed as Chairman & Managing Director of the Company for the term of 3 years with effect from April 01, 2016 till March 31, 2019. Hence the said term of Mr. Sanjeev A. Aggarwal (DIN: 00064076) as Chairman & Managing Director expired on April 01, 2019. Therefore the Company needs to re-appoint Mr. Sanjeev A. Aggarwal as Chairman & Managing Director for further period of 3 years with effect from April 01, 2019.

Mr. Sanjeev A. Aggarwal (DIN: 00064076) has also conveyed his consent to the Company to act as Chairman & Managing Director of the Company and declaration confirming that he is not debarred from holding the office of Director pursuant to any SEBI order or any other such authority, pursuant to Circular No. LIST/COMP/14/2018-19 Dated June 20, 2018 w.r.t. Enforcement of SEBI Orders Regarding Appointment of Directors By Listed Companies has also been received from Mr. Sanjeev A. Aggarwal.

On recommendation of the Nomination and Remuneration Committee (NRC) and Audit Committee of the Board of Directors of the Company, the Board of Directors at their meeting held on February 14, 2019 approved the re-appointment of Mr. Sanjeev A. Aggarwal (DIN: 00064076) as Chairman & Managing Director of the Company for further period of three years with effect from April 01, 2019 subject to approval of the shareholders of the Company at ensuing Annual General Meeting pursuant to provisions of Section 196, 197, 203, Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information as required under Section II of Part II of Schedule V of the Companies Act, 2013 for Item No. 5 of the Notice is given below:

**I. GENERAL INFORMATION:**

## 1) Nature of Industry:

The Company is primarily engaged in the manufacture of PVC pipes, Fittings, UV Resistant multi layer water tank and allied products. The Company is one of the largest manufacturers of multiple applications of pipes for water supply, sanitation, sewerage, construction, cable ducting, drinking water, tube wells, submersible pumps and other polymer products for various purposes. The Company is also actively engaged in manufacture of Moulded Furniture.

## 2) Date or expected date of commencement of commercial production: 20/11/1989

## 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NOT APPLICABLE

## 4) Financial performance based on given indicators:

| (₹ In Lakhs)       |           |           |           |
|--------------------|-----------|-----------|-----------|
| Particulars        | 2016-17   | 2017-18   | 2018-19   |
| Total Income       | 48,689.29 | 48,751.42 | 49,153.64 |
| Profit Before Tax  | (1310.55) | (365.33)  | (1574.90) |
| Profit after Tax   | (96.87)   | 11.58     | (971.87)  |
| Dividend on Equity | NIL       | NIL       | NIL       |

## 5) Foreign investments or collaborations, if any: There was no Foreign Investments or Collaboration during the year.

**II. INFORMATION ABOUT THE APPOINTEE:**

## a) Background details:

Mr. Sanjeev A Aggarwal holds qualification of Bachelor's Degree in Commerce from Punjab University. He also possessed immense experience in the field of manufacturing of PVC Pipes, Fittings and allied

products brings a combination of business and technical skills to the task of establishing and running the organisation. He is highly skilled in identifying multiple alternatives for problem solving.

b) Past remuneration:

Mr. Sanjeev Aggarwal was paid total remuneration of ₹ 84,00,000/- for each financial year 2016-17, 2017-18 and 2018-19.

c) Recognition or award:

The Company has received various awards and recognition during his tenure as a Managing Director of the Company.

d) Job profile and his suitability:

Mr. Sanjeev Aggarwal possesses immense experience in the field of manufacturing of PVC Pipes, Fittings and allied products. Mr. Aggarwal was appointed as a Joint Managing Director in the year 2005. He has been serving in the Company since then. He is a man with a vision to create a vulnerable business in excellence, he is inspiration to all as he spearheads Company's management and operations; strategizing and directing it through its next phase of growth.

e) Remuneration proposed:

As resolution set out above in point no. 5 of this Notice, the remuneration of Mr. Sanjeev Aggarwal have the approval of the Board and Nomination and Remuneration Committee.

f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The proposed remuneration to Mr. Sanjeev Aggarwal is reasonably in line with the remuneration in the industry of similar size companies in the same segment of business for similarly placed position and person.

g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Except Mr. Rishav Aggarwal and his relatives, none of the other Directors/ Key Managerial Personnel/ their relatives does not hold any pecuniary relationship with the Company.

### III. OTHER INFORMATION

1. Reasons for loss or inadequate profits:

Due to economic slowdown, high volatility in main raw material price, delayed working capital cycle, increased competition coupled with adverse market conditions resulted into lower profitability for the Company. Thus, the Company incurred a net loss for the Financial Year 2018-19.

2. Steps taken or proposed to be taken for improvement:

All these steps are taken by the Company aimed at improving the performance and reducing the debt burden.

a) To reduce operational and other costs so as to reduce the burden on working capital requirements.

b) Improve product mix and efficiency for expansion of market for its products so as to boost its revenue from operations.

c) Exploring better resources to borrow monies at cheaper rate of interest to avoid burden of additional finance cost of the Company.

d) Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.

- e) Developing new sources for procurement of raw materials which are contributing by way of better yields and lower prices.
3. Expected increase in productivity and profits in measurement terms:
- The Company has taken all out measures to reduce costs as well as improve operational efficiency/ productivity and the Company undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.
4. Disclosures:
- The remuneration package proposed to be given to Mr. Sanjeev Aggarwal is as per the details given in the resolution. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the Managerial Personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel. The respective tenure of the aforesaid managerial personnel shall be governed by the resolutions passed by the Shareholders in General Meetings with a notice period of three months by either side.
  - Mr. Sanjeev Aggarwal is holding 13,15,045 Equity Shares of the Company of Face Value of ₹ 10/- each.

The brief profile of Mr. Sanjeev A. Aggarwal (DIN: 00064076), in terms of the Regulation 36(3) of the SEBI Listing Regulations, 2015 and the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, have been provided to this Notice.

Except Mr. Rishav Aggarwal and his relatives none of the Directors, Key Managerial Person or their relatives is concerned or interested in this resolution.

The Board recommends the passing of said Special Resolution as set out in item no. 5 for your approval.

By order of the Board of Directors of

**KISAN MOULDINGS LIMITED**

Sd/-

**Dharak A. Mehta**

Company Secretary & Compliance Officer

ICSI Membership No. : ACS40502

**Kisan Mouldings Limited**

**L17120MH1989PLC054305**

**Registered Office:**

26 'A', 3rd Floor, K-wing, "Tex Centre",

Chandivali, Off Saki Vihar Road,

Andheri (East), Mumbai – 400 072

CIN: L17120MH1989PLC054305

Tel.: 022- 4200 9100/ 9200.

Fax: 28478508.

E-mail: [cs.kisan@kisangroup.com](mailto:cs.kisan@kisangroup.com)

Place: Mumbai

Date: August 14, 2019

## ANNEXURE “A”

### TO ITEMS 2, 4 AND 5 OF THE NOTICE

**Details of Directors retiring seeking appointment/re-appointment at the 30<sup>th</sup> Annual General Meeting pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and applicable provisions of Secretarial Standard – 2:**

| Name of the Directors  | Rishav Aggarwal  | Urvashi Dharadhar  | Sanjeev A Aggarwal   |
|--|--|--|--|
| Director Identification Number   | 05155607   | 08279196   | 00064076   |
| Designation  | Whole-time Director  | Additional Director (Independent)  | Chairman & Managing Director   |
| Date of Birth  | 07/12/1988   | 03/09/1955   | 08/05/1957   |
| Date of Appointment on the Board   | 22/08/2017   | 14/11/2018   | 30/08/2005   |
| Expertise in Specific Functional Areas   | Possesses rich experience in the field of manufacturing of Pipes, Fittings and Allied Products, Specializes in Finance, Possesses protective and personalized approach to business and competitive spirit. | Experience of more than 30 years in diverse fields including Banking sector, Plays an active role in the social activities.  | Possesses immense experience in the field of manufacturing of PVC Pipes, Fittings and other allied products.   |
| Qualifications   | Bachelor of Business Administration, Post-Graduate from Reading University, UK & Master's Degree in Renewable Energy.  | M. Com from the University of Mumbai, CAIIB, Company Secretary from Institute of Company Secretaries of India  | Bachelor's Degree in Commerce, from Punjab University  |
| Directorship in other Companies / Chairmanship/ Membership of Committees of other Board. | <b>Directorship in other Companies:</b><br>KML Tradelinks Private Limited<br><br><b>Chairmanship/ Membership of Committees of other Boards:</b> NIL  | <b>Directorship in other Companies:</b> NIL<br><br><b>Chairmanship/ Membership of Committees of other Boards:</b> NIL  | <b>Directorship in other Companies:</b> NIL<br><br><b>Chairmanship/ Membership of Committees of other Boards:</b> NIL  |
| Shareholding of Director in the Company as on March 31, 2019.                            | 885,953 Equity Shares  | NIL  | 13,15,045 Equity Shares  |
| Relationship Between Directors   | Mr. Rishav Aggarwal is the son of Mr. Sanjeev Aggarwal   | NIL  | Mr. Sanjeev Aggarwal is the father of Mr. Rishav Aggarwal  |
| Board Meeting Attended (F.Y. 2018-19)  | 4 (Four)   | 1 (One)  | 4 (Four)   |
| Justification for appointment  | Director retiring by rotation  | Mrs. Urvashi Dharadhar has rich experience of more than 30 years in diverse fields including Banking sector. Considering her huge experience & criteria of Independent Director, the Board proposed her appointment as Independent Director. | Due to cessation of existing term on March 31, 2019, it was proposed to re-appoint Mr. Sanjeev Aggarwal as the Chairman & Managing Director of the Company for further period of 3 years commencing from April 01, 2019. |



# 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]

Name of the member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Folio No/ \*DP ID and Client ID: \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of KISAN MOULDINGS LIMITED, hereby appoint:

1 Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_ Signature  Or failing him/her

2 Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_ Signature  Or failing him/her

3 Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_ Signature  Or failing him/her

as my/our proxy to attend and vote, in case of poll, for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company, to be held on Saturday, the 21<sup>st</sup> day of September, 2019 at 4:30 p.m. at Mirage Hotel, International Airport Approach Road, Andheri – Kurla Road, Marol, Andheri (East), Mumbai – 400 059 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

| Reso. No | Description   | For | Against |
|----------|---|-----|---------|
| 1.       | Adoption of Audited Financial Statements together with the Reports of the Board of Directors' and the Auditors thereon for the Financial year ended 31st March, 2019. |     |         |
| 2.       | Appoint a Director in place of Mr. Rishav Aggarwal (DIN: 05155607) , who retires by rotation and being eligible, offers himself for re-appointment.                   |     |         |
| 3.       | Ratification of the remuneration of Cost Auditors for the financial year ending March 31, 2020.   |     |         |
| 4.       | To appoint Mrs. Urvashi Anand Dharadhar(DIN: 08279196) as the Independent Director of the Company.  |     |         |
| 5.       | Re-appointment of Mr. Sanjeev A. Aggarwal as Chairman & Managing Director of the Company  |     |         |

Signed this \_\_\_\_ day of \_\_\_\_\_ 2019

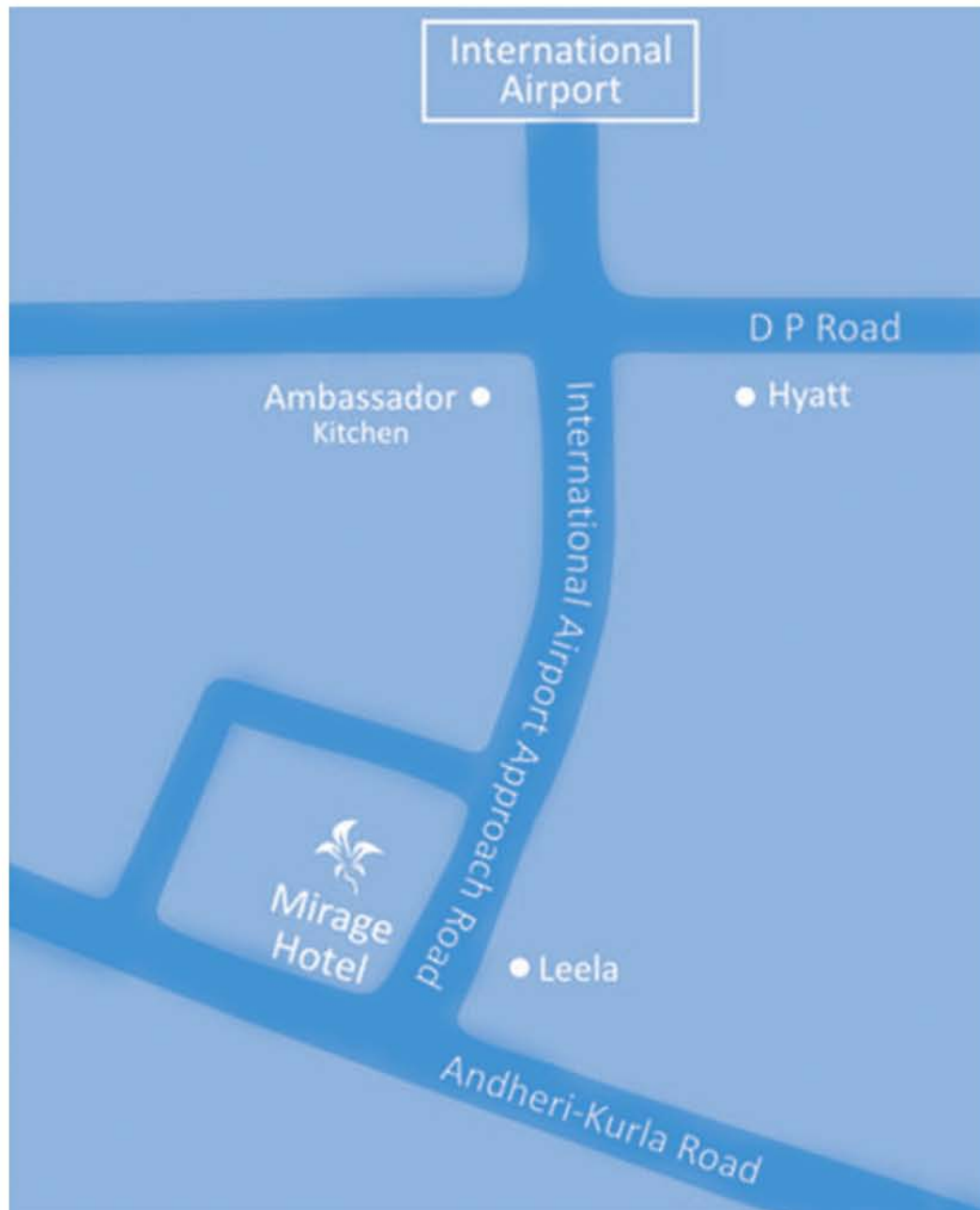
Affix Re. 1 Revenue Stamp

\_\_\_\_\_  
 (Signature of shareholder)

### NOTES :

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not later than FORTY-EIGHT hours before the commencement of the aforesaid Meeting.
- Please put a 'X' in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as Proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. Members holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as Proxy, who shall not act as Proxy for any other Member.

## Route map



### HOTEL ADDRESS

Mirage Hotel,  
International Airport Approach Road,  
Marol, Andheri (E), Mumbai – 400 059,  
+91-22-6672 1234  
+91-22-6672 1200



IF UNDELIVERED PLEASE RETURN TO:

**KISAN MOULDINGS LIMITED**

(A Kisan Group Company)

Tex Centre, K-Wing, 3rd Floor, 26 - A, Chandivali Road,  
Off Saki Vihar Road, Andheri (East), Mumbai - 400072. India.

T: +91-22-4200 9100/9200. Fax: +91-22-2847 8508.

E: [customercare@kisangroup.com](mailto:customercare@kisangroup.com)

W: [www.kisangroup.com](http://www.kisangroup.com)