



# KANCHI KARPOORAM LIMITED

ISO 9001 : 2008 Certified Company - CIN:L30006 TN1992 PLC022109


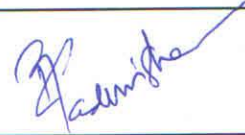


CHENNAI OFFICE : No.1, Barnaby Avenue, Barnaby Road, Kilpauk, Chennai - 600 010. INDIA.

Tel.: 2640 1914 / 15 / 16 / 17 Fax : 0091- 44 - 2640 1919

E-mail : info@kanchikarpooram.com Website : www.kanchikarpooram.com



## FORM A

1	Name of the Company	KANCHI KARPOORAM LIMITED
2	Annual Financial Statements for the year ended	31 <sup>ST</sup> MARCH 2015
3	Type of Audit Observation	UN-QUALIFIED
4	Frequency of Observation	NOT APPLICABLE
5	Signatures of	
	CEO/Managing Director (Suresh Shah)	
	CFO (K.C.Radhakrishnan)	
	Auditor of the Company (For R.Subramanian and Company)	
	Audit Committee Chairman (K.Venkateswaran)	



# **KANCHI KARPOORAM LIMITED**

**TWENTY SECOND  
ANNUAL REPORT  
2014 - 2015**



**E-Mail Registration**

To

**M/s. Cameo Corporate Services Ltd.**

“Subramanian Building”

No.1, Club House Road Chennai - 600 002.

E-Mail Id: investor@cameoindia.com

Dear Sir / Madam,

**Sub: Registration of E-mail ID for receiving communications in electronic form.**

I am a Shareholder of the Company; I want to receive all communications from the Company including AGM and General Meeting notices and explanatory statement(s) thereto. Balance Sheets, Director's Report, Auditor's Report etc., through e-mail. Please register my e-mail ID set – up below in your record for sending communication thorough e-mail:

Folio No.\*

Name of the 1st Registered Holder \* \_\_\_\_\_

Name of the Joint Holder(s) \_\_\_\_\_

Address \* \_\_\_\_\_

\_\_\_\_\_

Pin Code\* \_\_\_\_\_

E-Mail ID \* \_\_\_\_\_

Contact No\* \_\_\_\_\_ Mobile \_\_\_\_\_

Landline \_\_\_\_\_

\*Date \_\_\_\_\_ Signature of 1st Holder\* \_\_\_\_\_

**Important Notes:**

- Field marked\* are mandatory for registration of the e-mail ID
- On registration, all the communication will be sent to the e-mail ID registered in folio.
- Any change in e-mail ID may please be registered in the records of the Company.



**KANCHI KARPOORAM LIMITED**

**BOARD OF DIRECTORS**

Shri.Suresh Shah

Shri.Dipesh S Jain

Shri.Arun V Shah

Shri.S.Srinivasan

Shri Na Raghu

Shri K.Venkateswaran

Smt.Pushpa S Jain

**COMPANY SECRETARY**

Smt. Gayathri S.

**CHIEF FINANCIAL OFFICER**

Shri.K.C.Radhakrishnan

**AUDITORS**

M/s. R.Subramanian and Company

Chartered Accountants

No.6, Krishnaswamy Avenue,

Luz, Mylapore, Chennai - 600 004.

**SECRETARIAL AUDITOR**

Shri. V. S. Sowrirajan

C-2, Vijayarengaa Apartment,

64, West Adayavalanchan Street,

Srirangam, Trichy - 620 006.

**BANKERS**

Bank of India,

Chennai Overseas Branch, "Star House" III Floor,

30(Old No.17), Errabalu Street, Chennai – 600 001.

**REGISTERED OFFICE OF THE COMPANY AND FACTORY**

Parandur Road, Enathur Village,

Karaipettai Post,

Kanchipuram - 631 552. Tamil Nadu

**REGISTRAR AND SHARE TRANSFER AGENT**

M/s.Cameo Corporate Services Ltd.

"Subramanian Building"

No.1, Club House Road, Chennai - 600 002.

E-Mail Id: investor@cameoindia.com





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### **NOTICE TO SHAREHOLDERS**

Notice is hereby given that the **22<sup>nd</sup> Annual General Meeting** of the Members of Kanchi Karpooram Limited will be held on Friday, the 11th day of September 2015, at 11.00 A.M. at M.M.Hotels, 65/66, Nellukara Street, Kanchipuram -631502 to transact the following business:

#### **Ordinary Business**

1. To consider and adopt the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March 2015, the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares
3. To appoint a director in the place of Mrs.Pushpa S Jain (DIN: 06939054) who retires by rotation and being eligible, offer herself for re-appointment
4. To ratify the appointment of Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on September 10, 2014, the appointment of M/s R.Subramanian and Company, Chartered Accountants, (Registration No.FRN 004137S) as the auditors of the Company to hold office till the conclusion of Twenty Fourth Annual General Meeting of the Company be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the audit committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the auditors and the Board of Directors.

#### **SPECIAL BUSINESS**

5. **Keeping Registers, returns etc., at a place other than the Registered Office:**

To consider and if thought fit to pass with or without modifications, following resolution as **Special Resolution:**

**“RESOLVED THAT** pursuant to provisions of Section 94(1) of the Companies Act and all other applicable provisions and relevant Rules applicable, if any, consent of the Company be and is hereby accorded to keep the Register of Members and other registers to be maintained under Section 88(1) of the Act and copies of the Annual Returns filed under Section 92 of the Act and other records/documents at the administrative Office operating at “No.1, Barnaby Avenue, Barnaby Road, Kilpauk, Chennai – 600 010 (place other than Registered Office where the Registers, returns and other documents are proposed to be kept) and such registers shall remain open for inspection by members during business hours on all working days.

**“RESOLVED FURTHER THAT** Sri .Suresh Shah, Managing Director (DIN- 01659809) and Mrs. Gayathri S, Company Secretary be and are hereby severally authorized to notify the Registrar of Companies and to do all such acts, deeds and things which are necessary for the purpose of giving effect to this Resolution.

Notes:

1. ***A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and a proxy need not be a member of the Company. The instrument appointing the proxy should, however be deposited at the registered office of the Company not less than 48 hours before the Commencement of the Meeting.***

***A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.***

***A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.***

2. The business set out in the Notice will be transacted through electronic system and the Company is providing



facility for voting by electronic means. Instructions and other information relating to e-voting are given in this notice under Note No.20.

3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. In terms of Section 152 of the Companies Act, 2013, Mrs.Pushpa S Jain (DIN: 06939054) Director, retire by rotation at the meeting and being eligible, offers herself for re-appointment. Brief resume of the Director proposed to be re-appointed, nature of her expertise in specific functional areas, names of the Companies in which she hold directorship and membership/chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the listing agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
5. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
7. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Relevant documents referred to in the accompanying Notice and the statement are open for inspection by the members at the Registered office of the Company on all working days, except Saturdays, during business hours up to the date of the meeting.
9. The Register of Members and Share Transfer Books of the Company will be closed from Saturday 05<sup>th</sup> September 2015 to Friday 11<sup>th</sup> September 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
10. If Dividend as recommended by the Board of Directors is approved at the AGM, the payment of dividend will be made on/before 10<sup>th</sup> October 2015 to those members whose names shall appear on the Company's register of members on the closure of business hour on 04<sup>th</sup> September 2015 as under:
  - a. In respect of share held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that day.
  - b. In respect of share held in physical form, the dividend will be paid to members whose names are furnished after giving effect to valid transfers in respect of transfer request lodged with the company on or before the closure of business hour as on that day.
11. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents(RTA), M/s Cameo Corporate Services Limited ("Cameo") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
12. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in Physical form are requested to advise any change in their address or bank mandates immediately to the Company/RTA.
13. Pursuant to the provision of Companies Act the dividend which remained unclaimed for a period of Seven (7) years from the date of transfer to the unpaid dividend account is required to be transferred to the "Investor Education Protection Fund" (IEPF) account established by the Central Government along with the shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF account. Pursuant to the provisions of Investor Education Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with the Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company ([www.kanchikarpooram.com](http://www.kanchikarpooram.com)), as also on the website of Ministry of Corporate Affairs.



14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Cameo.
15. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. Members desirous of making nominations may procure the prescribed form from the Company/Cameo.
16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Company/RTA, for consolidation into a single folio.
17. Non-Resident Indian Members are requested to inform RTA, immediately of:
  - a) Change in their residential status on return to India for permanent Settlement.
  - b) Particulars of their bank account maintained in India with Complete Name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
18. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.
19. Members may also note that the Notice and Annual Report of the 22<sup>nd</sup> Annual General Meeting will be available on the Company's website [www.kanchikarpooram.com](http://www.kanchikarpooram.com). Members who require communication in e-communication / physical form or have any other query may write to us at: [investorcare@kanchikarpooram.com](mailto:investorcare@kanchikarpooram.com) / [kanchikarpooramus@gmail.com](mailto:kanchikarpooramus@gmail.com).
20. Information and other instructions relating to e-voting are as under:

**A. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). The Instructions for e-voting are as under:**

- I. Log on to the E-Voting website [www.evotingindia.com](http://www.evotingindia.com)
- II. Click on "Shareholders" tab to cast your votes
- III. Now fill up the following details in the appropriate boxes

Particulars	For Members holding shares in Demat Form	For Members holding shares in Physical form
User ID	<b>For NSDL</b> 8 Characters of DP ID followed by 8 Digits of Client ID <b>For CDSL</b> 16 Digits of Beneficiary ID	Folio Number Registered with the Company
Captcha	Enter the Verification Code for Security reasons i.e please enter the alphabets and numbers in the exact way as they are displayed	
Password	Your unique password is printed on the AGM Attendance Slip	

- IV. After entering the details appropriately, Click on Submit Tab
- V. Click on EVSN of Kanchi Karpooram Limited to cast your votes
- VI. On the Voting Page, you will see Resolution Description and against the same the option Yes/No for voting. Select the 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.



- VII. Click on the “Resolution File Link” if you wish to view the entire resolution
  - VIII. After voting click on Submit.
  - IX. A Confirmation Box will be displayed, Click OK to confirm, to change your vote click on CANCEL and accordingly modify your vote
  - X. Once you CONFIRM your vote on the resolution you will not be allowed to modify your vote.
- B. The voting period begins on 08<sup>th</sup> September 2015 and ends on 10<sup>th</sup> September 2015. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off-date of 04<sup>th</sup> September 2015.
- C. In case of any query pertaining to E-Voting , please refer the FAQs section and E-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) .
- I. The voting rights of members shall be in proportion to their shares of the paid up equity capital of the Company as on the cut-off date of 04<sup>th</sup> September 2015.
  - II. M/s Rabi Narayan & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - III. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
  - IV. In case of those members, who do not access to e-voting facility, they can use the the assent/dissent form sent herewith or can be downloaded from our website [www.kanchikarpooram.com](http://www.kanchikarpooram.com) and convey their assent/dissent to each one of the items of business to be transacted at the ensuing Annual General Meeting and send the form to the registered office of the Company on or before 10<sup>th</sup> September 2015 to reach M/s Rabi Narayan & Associates Scrutinizer appointed by the Company.
  - V. Members can choose only one of the two options namely e-voting or voting through physical assent/dissent form. In case votes are casted through both the formats, then votes casted through e-voting shall stand cancelled and those votes casted through physical assent/dissent form would be considered, subject to the assent/dissent form being found to be valid.
  - VI. The results of e-voting, physical assent/dissent and poll, if any shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.kanchikarpooram.com](http://www.kanchikarpooram.com)

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS  
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“the Act”)**

**Item No.5: Keeping Registers, returns etc., at a place other than the Registered Office:**

The Registered office of the Company is situated at Parandur Road, Enathur Village, Karaipettai Post, Kanchipuram – 631 552 and the Administration office of the Company situated at No.1, Barnaby Avenue, Barnaby Road Kilpauk, Chennai – 600 010. Due to administration, audits, and banking operations are done at Chennai, the Board recommends to keep the registers maintained and copies of the Annual Returns filed under Companies Act and other documents at the Administration office, Chennai.

In terms of Section 94 of the Companies Act, 2013, Registers and copies of the returns as aforesaid may also be kept at any other place in India other than Registered Office of the Company, in which more than one-tenth of the total number of members reside , by passing a Special Resolution at the General Meeting of Company.

Out of Total number of members of 3452 as on 31.03.2015, 811 members (being 23.49%) reside in Chennai.

The Board recommends the Special Resolutions set out at Item No.5 of the notice for approval by the members.

By Order of the Board  
For KANCHI KARPOORAM LIMITED

Sd/-  
SURESH SHAH  
Managing Director

Place : Chennai  
Date : 14.08.2015



### Information on Director recommended for Appointment / Reappointment

**PUSHPA S JAIN (DIN: 06939054)**

Mrs.Pushpa S Jain (57) assumed charge as the Non-Executive (Women) Director of the Company with effect from 10.09.2014.

Mrs.Pushpa S Jain has been associated with the Company through her husband Mr.Suresh Shah, Managing Director of the Company. She is having vast experience and knowledge in business which will be of immense helpful to the Company. Apart from that she has been continuously engaging in promoting various charitable activities. A brief detail of Mrs.Pushpa S Jain is as follows:

Name	Pushpa S Jain
Date of Birth	07.09.1958
Nationality	Indian
Relationship with Other Director	Wife of Mr.Suresh Shah
Qualification	Matric
Expertise in Area	Engaging in Social Services
No. of Shares held	2,74,500
List of Directorships held in other Companies	Nil
Chairmanship(s) / Membership(s) of Board Committees in Other Companies	Nil



## DIRECTOR'S REPORT

Dear Members,

Your Company's Directors are pleased to present the 22nd Annual Report of the Company, along with Audited Accounts, for the Financial Year ended 31st March 2015

### FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March 2015 is summarised below. Segment wise reporting as per Accounting Standards AS-17 is not applicable to your Company, since your Company is engaged in the activity of single segment only.

Particulars	Year ended 31.03.2015 (Rs. in Lakhs)	Year ended 31.03.2014 (Rs. in Lakhs)
Revenue from operations	5284.49	5660.38
Other income	14.53	15.52
Total Expenses	5262.43	5246.44
Finance Cost	174.62	121.31
Depreciation and amortization expenses	35.26	123.12
Profit / Loss Before tax	36.58	429.46
Current tax	5.00	188.00
Deferred Tax reversal	5.99	(21.48)
Profit / Loss After tax	25.59	270.40
<b>Earnings per share</b>		
Basic & Diluted	0.62	6.53
<b>Your Directors recommend the following appropriations:-</b>		
Proposed Dividend	20.71	62.13
Dividend Distribution Tax	4.33	10.56
Transfer to general Reserve	0	150.00

**EXTRACT OF ANNUAL RETURN**

An Extract of Annual Return (as provided in Section 92(3) of the Companies Act, 2013) in Form MGT-9 as on 31<sup>st</sup> March 2015 is attached as **Annexure – 1** to this report

**NUMBER OF MEETINGS OF THE BOARD**

During the year, 9 (Nine) meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report which is attached to this report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2015 and of the profit of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, the members approved the appointments of Mr.Narasimhan Raghu, Mr.K.Venkateswaran and Mr.S.Srinivasan as Independent Directors who are not liable to retire by rotation and Mrs.Pushpa S Jain as a Non-Executive Director who is liable to retire by rotation. The members have also re-appointed Mr.Arun V Shah, as whole time director.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs.Pushpa S Jain, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

In accordance with the Provisions of Section 203 of the Act, which came into effect from 01<sup>st</sup> April 2014, Mr.K.C.Radhakrishnan, Chief Financial Officer and Mr.Rakesh Roshan Sethi, Company Secretary as Key Managerial Personnel of the Company were formalised. Mrs. Gayathri S. was appointed as company secretary and compliance officer of the company with effect from 20<sup>th</sup> June 2015 consequent to the resignation of Mr. Rakesh Roshan Sethi with effect from 30<sup>th</sup> May 2015.

**APPOINTMENT AND REMUNERATION POLICY**

The Company's policy on Directors appointment and remuneration and other matters provided in Section 178(3) of the Act has been provided in the Corporate Governance Report, which is attached to this report.

**POLICY FOR PREVENTION OF SEXUAL HARASSMENT**

As a part of the policy for Prevention of Sexual Harassment in the organisation, the Company has in place an Internal Complaints Committee for prevention and redressal of complaints of sexual harassment of women at work place in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and relevant rules thereunder. No complaints were received by the Committee during the period under review.



**AUDITORS AND AUDITORS' REPORT****STATUTORY AUDITOR**

At the Annual General Meeting of the Company held on September 10, 2014, M/s R.Subramanian and Company, Chartered Accountants, (Registration No.FRN 0041375), were reappointed as the Statutory Auditors of the Company for a period of 3 years which is subject to annual ratification by the members of the Company in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Accordingly, the appointment of M/s R.Subramanian and Company, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The Audit committee and the Board of Directors recommend the ratification of appointment of M/s R.Subramanian and Company, Chartered Accountants as Auditors and to fix their remuneration. The members may ratify the appointment of M/s R.Subramanian and Company, Chartered Accountants, as the Statutory Auditors of the Company for the financial year 2015-16.

The notes on Financial Statement referred to in the Auditor's Report are Self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**COST AUDITOR**

As applicable under the erstwhile provisions of the Companies (Cost Audit Report) Rules 2011 the Company has obtained the Cost Audit report from M/s. N.Sivasankaran & Co, Cost Auditors in the previous year 2013-2014. As per the Ministry of Corporate Affairs in exercise of power conferred under section 148 of the Companies Act, 2013 and in supersession of Companies (Cost Accounting Records) Rules 2011, Companies (Cost Audit Report) Rules 2011 notified Companies Cost Records and Audit Rules 2014 in pursuance to Rule 4 of the said rules the Cost Audit of Companies cost records is not applicable for the current financial year, however the Company is required to maintain cost records in the Books of Accounts in pursuance to Rule 3 of said rule.

**SECRETARIAL AUDITOR**

The Board has appointed Mr.V.S.Sowrirajan, Practising Company Secretary, to conduct Secretarial Audit for the Financial Year 2014 – 2015. The Secretarial Audit Report for the Financial Year 2014 – 2015 is attached as **Annexure – 2** to this report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All related party entered by the Company during the year were in the Ordinary course of business and at Arm's Length Pricing basis. There were no materially significant related party transactions during the year. Details of the transaction are provided in Form AOC-2 which is attached as **Annexure – 3** to this report

**STATE OF COMPANY'S AFFAIRS**

The year under review had yielded results achieved by the Company by constant monitoring of imported raw materials price, sale price of camphor & foreign exchange fluctuations. Consequent to the closure of Regional Stock Exchanges viz., Madras, Delhi and Ahmedabad Stock Exchanges, your company is listed in Bombay Stock Exchange (BSE) during the year. This will facilitate members for better trading activities.

**DIVIDEND**

Your Directors recommend a Dividend of **5%(Rs.0.50 Paise per equity share of ₹10/- each)** for the financial year ended 31<sup>st</sup> March 2015. Payment of Dividend is subject to the approval of Shareholders at the ensuing Annual General Meeting.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year (31<sup>st</sup> March 2015) and the date of the report (14<sup>th</sup> August 2015)

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

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014, relating to Conservation of Energy, Technology, Absorption, Foreign Exchange Earning and Outgo are attached as **Annexure – 4** to this report.

**RISK MANAGEMENT**

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with



the responsibility to assist the Board. The Committee oversees the Risk Management process including risk identification, the impact assessment and risk reporting. The Audit Committee however has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company does not meet the criteria laid down in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 hence there is no requirement of constituting Corporate Social Responsibility Committee.

**BOARD EVALUATION**

Pursuant to the provisions of Companies Act, 2013 and Clause 49 of the listing agreement, Independent Director at their meeting without the participation of the Non-Independent directors and management, considered and evaluated the Board's performance and other non-independent directors.

**SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANY**

The Company does not have any Subsidiary, Joint Ventures or Associate Company. Hence the requirement of presenting the consolidated financial statements in Annual Report is not applicable.

**DEPOSITS FROM PUBLIC**

During the year under review, your company did not accept any deposits within the meaning of provisions of Chapter V Acceptance of Deposits by the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The details of the Internal Control system and their adequacy are provided in the Management Discussion and Analysis Report which forms part of this report.

**AUDIT COMMITTEE**

The details pertaining to composition of audit committee are included in the Corporate Governance Report which is attached to this report.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

During the year, your Directors have constituted a Vigil Mechanism Committee which also incorporates a whistle blower policy pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Clause 49 of the listing agreement. Your company hereby affirms that no complaints were received during the year.

**PARTICULARS OF EMPLOYEES**

The information required terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 relating to the ratio of remuneration of each director to the median employee's remuneration are attached as Annexure – 5 to this report

**CORPORATE GOVERNANCE**

The Company is not only committed to maintain the standards of Corporate Governance set out by SEBI but also morally committed to its members. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to this report.

**APPRECIATIONS AND ACKNOWLEDGMENTS**

Your Directors place on record their appreciation to employees at all levels for their dedication and commitment. Your Directors would also like to express their sincere appreciation for the assistance and co-operation received from the banks, financial institutions, Government Authorities, customers, vendors and members during the year under review.

**For and on Behalf of the Board of Directors**

Place : Chennai  
Date : 14.08.2015

**Arun V Shah**  
Whole Time Director

**Suresh Shah**  
Managing Director



## ANNEXURE 1 TO THE DIRECTOR'S REPORT

## Form No.MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015.

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

## I.REGISTRATION AND OTHER DETAILS

CIN:	L30006TN1992PLC022109
Foreign Company Registration Number/GLN	Not Applicable
Registration Date [DDMMYYYY]	31-01-1992
Category/Sub Category of the Company	Public Company/Limited by Shares
Address of the Registered Office and Contact Details	Parandur Road, Enathur Village, Karapettai Post, Kanchipuram - 631 552
	Tel: 044-27294904/27294930
Whether shares listed on recognized Stock Exchange(s)	Yes (Listed in BSE)
Name, Address and Contact Details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited "Subramanian Building" No.1, Club House Road, Chennai - 600 002
	Tel: 044-28460390/91/92

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name/Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Camphor and Allied Products	20115 & 20118	100%

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

NIL
-----


**IV. SHAREHOLDING PATTERN**
**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	15,27,850	2,23,050	17,50,900	42.27%	15,27,850	2,23,050	17,50,900	42.27%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	15,27,850	2,23,050	17,50,900	42.27%	15,27,850	2,23,050	17,50,900	42.27%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	15,27,850	2,23,050	17,50,900	42.27%	15,27,850	2,23,050	17,50,900	42.27%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	35,200	35,200	0.85%	-	35,200	35,200	0.85%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	35,200	35,200	0.85%	-	35,200	35,200	0.85%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	11,640	1,22,700	1,34,340	3.24%	30338	122700	1,53,038	3.69%	0.45%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,93,660	12,53,600	14,47,260	34.94%	265722	1149050	14,14,772	34.16%	-0.78%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	63,200	3,34,900	3,98,100	9.61%	324257	150900	4,75,157	11.47%	1.86%
c) Others (specify)									
Non Resident Indians	40,700	3,26,800	3,67,500	8.87%	41100	259700	3,00,800	7.26%	-1.61%
HUF	8,900	-	8,900	0.21%	10769	-	10,769	0.26%	0.05%
Clearing Members	-	-	-	0.00%	1564	-	1,564	0.04%	0.04%
Sub-total (B)(2):-	3,18,100	20,38,000	23,56,100	56.88%	6,73,750	16,82,350	23,56,100	56.88%	0.00%
Total Public (B)	3,18,100	20,73,200	23,91,300	57.73%	6,73,750	17,17,550	23,91,300	57.73%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	18.45.950	22.96.250	41.42.200	100.00%	22.01.600	19.40.600	41.42.200	100.00%	0.00%



(ii) Shareholding of Promoter

Sl.No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2014)			Shareholding at the end of the year (as on 31.03.2015)			% change in shareholding 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	SURESH SHAH	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
2	SHANTA V JAIN	107600	2.60%	0.00%	107600	2.60%	0.00%	0.00%
3	VEERCHAND DSHAH HUF	31950	0.77%	0.00%	31950	0.77%	0.00%	0.00%
4	GOAL V M	28400	0.69%	0.00%	28400	0.69%	0.00%	0.00%
5	V M GOAL	108100	2.61%	0.00%	108100	2.61%	0.00%	0.00%
6	PUSHPA S JAIN	274500	6.63%	0.00%	274500	6.63%	0.00%	0.00%
7	V SURESH	337200	8.14%	0.00%	337200	8.14%	0.00%	0.00%
8	KAVITA JAIN	14500	0.35%	0.00%	14500	0.35%	0.00%	0.00%
9	VARSHAA GOAL	318400	7.69%	0.00%	318400	7.69%	0.00%	0.00%
10	ARUN V SHAH	38500	0.93%	0.00%	38500	0.93%	0.00%	0.00%
11	JITENDRA V SHAH	38000	0.92%	0.00%	38000	0.92%	0.00%	0.00%
12	LATA A SHAH	89500	2.16%	0.00%	89500	2.16%	0.00%	0.00%
13	MADHU J SHAH	66000	1.59%	0.00%	66000	1.59%	0.00%	0.00%
14	DIPESH SURESH JAIN	212850	5.14%	0.00%	212850	5.14%	0.00%	0.00%
15	VASANTLAL B SHAH	12500	0.30%	0.00%	12500	0.30%	0.00%	0.00%
16	JAYASHREE V SHAH	12500	0.30%	0.00%	12500	0.30%	0.00%	0.00%
17	SONIYA A	30000	0.72%	0.00%	30000	0.72%	0.00%	0.00%
18	RADHAKRISHNAN K C	30300	0.73%	0.00%	30300	0.73%	0.00%	0.00%

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

Sl.No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			17,50,900	42.27%		0.00%
	Changes during the year			NIL	0.00%		0.00%
	At the end of the year			17,50,900	42.27%		0.00%

Note: There is no change in the total shareholding of promoters between 01.04.2014 to 31.03.2015



<b>(iv) Shareholding Pattern of top ten Shareholders</b>							
<i>(Other than Directors, Promoters and Holders of GDRs and ADRs):</i>							
Sl.No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning (01.04.2015)/ end(31.03.2015) of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SHEELA B DASWANI						
	At the beginning of the year			1,18,400	2.86%		0.00%
	Changes during the year	12.01.2015	Transfer	(10,000)	-0.24%	1,08,400	0.00%
	At the end of the year			1,08,400	2.62%	1,08,400	0.00%
2	BETALA GLOBAL SECURITIES LIMITED						
	At the beginning of the year			90,000	2.17%		0.00%
	Changes during the year			16	0.00%		0.00%
	At the end of the year			90,000	2.17%		0.00%
3	RADHIKA SEKSARIA						
	At the beginning of the year			3,700	0.09%		0.00%
	Changes during the year	26.12.2014	Transfer	49,600	1.20%	53,300	0.00%
	At the end of the year			53,300	1.29%	53,300	0.00%
4	JITHENDRA KUMAR ROOPCHAND						
	At the beginning of the year			50,600	1.22%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			50,600	1.22%		0.00%
5	JAIKISHAN MIRCHANDANI						
	At the beginning of the year			40,000	0.97%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			40,000	0.97%		0.00%
6	HITESH KUMAR S SHAH						
	At the beginning of the year			39,200	0.95%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			39,200	0.95%		0.00%
7	BANK OF INDIA A/C. BOI MUTUAL FUND						
	At the beginning of the year			33,300	0.80%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			33,300	0.80%		0.00%
8	MILAN R.PAREKH						
	At the beginning of the year			31,800	0.77%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			31,800	0.77%		0.00%
9	BLUE CIRCLE SERVICES LTD						
	At the beginning of the year			31,000	0.75%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			31,000	0.75%		0.00%
10	BISWA NATH PATRA						
	At the beginning of the year			30,000	0.72%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			30,000	0.72%		0.00%



# KANCHI KARPOORAM LIMITED

An ISO 9001 : 2008 Certified Company

22<sup>nd</sup> Annual Report 2014-2015

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

(v) Shareholding of Directors and Key Managerial Personnel:							
SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning (01.04.2014)/ end (31.03.2015) of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
DIRECTORS							
1	SURESH SHAH (MANAGING DIRECTOR)						
	At the beginning of the year			3,37,300	8.14%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			3,37,300	8.14%		0.00%
2	DIPESH S JAIN (WHOLE TIME DIRECTOR)						
	At the beginning of the year			2,12,850	5.14%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			2,12,850	5.14%		0.00%
3	ARUN V SHAH (WHOLE TIME DIRECTOR)						
	At the beginning of the year			38,500	0.93%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			38,500	0.93%		0.00%
4	S.SRINIVASAN (NON-EXECUTIVE (INDEPENDENT) DIRECTOR)						
	At the beginning of the year			-	0.00%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			-	0.00%		0.00%
5	NA RAGHU (NON-EXECUTIVE (INDEPENDENT) DIRECTOR)						
	At the beginning of the year			-	0.00%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			-	0.00%		0.00%
6	K. VENKATESWARAN (NON-EXECUTIVE (INDEPENDENT) DIRECTOR)						
	At the beginning of the year			-	0.00%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			-	0.00%		0.00%
7	PUSHPA S JAIN (NON-EXECUTIVE DIRECTOR)						
	At the beginning of the year			2,74,500	6.63%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			2,74,500	6.63%		0.00%
KEY MANAGERIAL PERSONNEL (KMP'S)							
1	K.C.RADHAKRISHNAN (CHIEF FINANCIAL OFFICER)						
	At the beginning of the year			30,300	0.73%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			30,300	0.73%		0.00%
2	RAKESH ROSHAN SETHI (COMPANY SECRETARY)						
	At the beginning of the year			-	0.00%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			-	0.00%		0.00%

## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	11,97,72,960.53	40,00,000.00	-	12,37,72,960.53
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>11,97,72,960.53</b>	<b>40,00,000.00</b>	<b>-</b>	<b>12,37,72,960.53</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	4,90,74,860.65	50,75,000.00	-	5,41,49,860.65
* Reduction	10,44,717.18	-	-	10,44,717.18
<b>Net Change</b>	<b>4,80,30,143.47</b>	<b>50,75,000.00</b>	<b>-</b>	<b>5,31,05,143.47</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	16,78,03,104.00	90,75,000.00	-	17,68,78,104.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>16,78,03,104.00</b>	<b>90,75,000.00</b>	<b>-</b>	<b>17,68,78,104.00</b>



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

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

SL.No.	Particulars of Remuneration	Name of MD/MTD/ Manager			Total Amount
		SURESH SHAH	DIPESH S JAIN	ARUN V SHAH	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,80,000.00	12,36,000.00	7,20,000.00	33,36,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,34,050.00	3,32,426.00	16,500.00	6,82,976.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>TOTAL (A)</b>	<b>17,14,050.00</b>	<b>15,68,426.00</b>	<b>7,36,500.00</b>	<b>40,18,976.00</b>

**B. Remuneration to other Directors**

Sl.No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs)
		S. Srinivasan	Na. Raghu	K. Venkateswaran	
	<b>Independent Directors</b>				
1	Fee for attending board committee meetings	82,500.00	82,500.00	82,500.00	2,47,500.00
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (1)</b>	<b>82,500.00</b>	<b>82,500.00</b>	<b>82,500.00</b>	<b>2,47,500.00</b>
2	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	15,000.00	-	-	15,000.00
	Commission	0	-	-	0
	Others, please specify	0	-	-	0
	<b>Total (2)</b>	<b>15,000.00</b>	<b>-</b>	<b>-</b>	<b>15,000.00</b>
	<b>Total (B) (1+2)</b>	<b>97,500.00</b>	<b>82,500.00</b>	<b>82,500.00</b>	<b>2,62,500.00</b>

**C. Remuneration to Key Managerial Personnel other than MD/Manager/MTD**

Sl.No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Suresh Shah CEO	K.C. Radhakrishnan CFO	Rakesh Roshan Sethi CS	
	Gross salary				
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,80,000.00	12,00,000.00	70,783.00	26,50,783.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,34,350.00	16,500.00	6,028.00	3,56,578.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>	<b>17,14,050.00</b>	<b>12,16,500.00</b>	<b>76,811.00</b>	<b>30,07,361.00</b>

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

---NIL---



*ANNEXURE 2 TO THE DIRECTOR'S REPORT***MR – 3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015**

[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  
Kanchi Karpooram Limited  
Parandur Road, Enathur Village,  
Karaipettai Post,  
Kanchipuram- 631552

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kanchi Karpooram Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2015 ('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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (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
- (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 (No actions/events requiring compliance pursuant to this Regulations)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (No actions/events requiring compliance pursuant to this Regulation)
  - (d) Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; (No actions/events requiring compliance pursuant to this Regulations)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (No actions/events requiring compliance pursuant to this Regulations)
  - (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



- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, (No actions/events requiring compliance pursuant to this Regulation)
- (i) Other laws applicable to the company
  - a. Factories Act, 1948
  - b. Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2003

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

- (I) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable during the year)
- (II) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that ;

Based on the information provided to me during the conduct of audit and based on the reports submitted by the Board/Committees from time to time, in my opinion adequate systems, processes and control measures are in place exist in the Company to monitor and ensure compliance with the applicable general laws like labour laws, competition laws and environmental laws.

Compliance by the company of applicable financial laws like direct and indirect laws, has not been reviewed in this Audit since the same is subject to review statutory financial audit and other designated professionals..

Adequate systems and processes in the company, commensurate with the size of the company and nature of operations to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

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, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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.

I further report that during the audit period there were no other specific actions/events, in pursuance of above referred laws, rules, regulations, guidelines etc having a major bearing on the company's affairs.

Place: Chennai

Date: 07.07.2015

**V.S.SOWRIRAJAN**

Company Secretary

FCS 2368/CP6482

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



To

“ Annexure A”

The Members

Kanchi Karpooram Limited

Parandur Road, Enathur Village,

Karaipettai Post,

Kanchipuram- 631552

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai

Date : 07/07/2015

V.S.SOWRIRAJAN

Company Secretary



**ANNEXURE 3 TO THE DIRECTOR'S REPORT**

**FORM NO.: AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

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

Sl.No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5	Justification for entering into such contracts or arrangements or transactions'	NIL
6	Date of approval by the Board	NIL
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

Sl.No.	Particulars	Details	
1	Name (s) of the related party nature of relationship	Suresh Industries	Ambika Industries
2	Nature of relationship	Director have significant influence	Director have significant influence
3	Nature of contracts/arrangements/transaction	Sale of Camphor, Gum Rosin, Turpentine and its derivatives	Sale of Camphor, Gum Rosin, Turpentine and its derivatives
4	Duration of the contracts/arrangements/transaction	2014 - 2015	2014 - 2015
5	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Goods Rs. 92,63,077.00	Sale of Goods Rs. 93,555.00
6	Justification for entering into such contracts or arrangements or transactions'	Transactions in ordinary course of business and on Arm's Length Basis	Transactions in ordinary course of business and on Arm's Length Basis
7	Date of approval by the Board	Approved on Annual Basis	Approved on Annual Basis
8	Amount paid as advances, if any	NIL	NIL

**For and on Behalf of the Board of Directors**

Place : Chennai  
Date : 14.08.2015

**Arun V Shah**  
Whole Time Director

**Suresh Shah**  
Managing Director


**ANNEXURE 4 TO THE DIRECTOR'S REPORT**
**FORM - A**

Form for disclosure of particulars with respect to conservation of energy

	01.04.2014 to 31.03.2015	01.04.2013 to 31.03.2014
<b>A. Power and Fuel Consumption</b>		
Electricity		
a. Purchase :		
Unit	802196	635740
Total Amount (Rs)	5807999	4215323
Rate/Unit (Rs)	7.24	6.72
b. Own Generation		
(i) Through Diesel Generator :		
Unit	177632	321448
Unit per lit of diesel oil	3.24	3.15
Cost / Unit	17.74	17.48
(ii) Through Steam Turbine / Generator		
Unit	NA	NA
Cost / Unit		
2 Unit Coal (Specify quality and where used)	NA	NA
3 Unit / Cost Furnace Oil :		
Quantity (M.T.)	8.4	37.845
Total Amount	247332	1599520
Average rate (Rate per MT)	29444	42265
4 Others / Internal Generation		
Quantity	NA	NA
Total cost		
Rate / Unit		

**Foreign Exchange Earnings & Outgo**

Your company has also earned foreign exchange of Rs. 64.62 Lakhs through exports. The total Foreign Exchange utilized by the company during the year for the purchase of Raw Materials and others was Rs. 3568.27 Lakhs.

For and on behalf of the Board of Directors

**KANCHI KARPOORAM LIMITED**

 Place : **Chennai**

Date : 14.08.2015

**Arun V Shah**  
 Whole Time Director

**Suresh Shah**  
 Managing Director


**ANNEXURE 5 TO THE DIRECTOR'S REPORT**
**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES**

A) The ratio of the remuneration of each director to the median employee's remuneration of the company for the financial year and such other details as prescribed is as given below:

Sl.No.	Name	Designation	Ratio
1	SURESH SHAH	MANAGING DIRECTOR	7.15
2	DIPESH S JAIN	WHOLE-TIME DIRECTOR	6.54
3	ARUN V SHAH	WHOLE-TIME DIRECTOR	3.07

B) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sl.No.	Name	Designation	Ratio
1	SURESH SHAH	MANAGING DIRECTOR	NA
2	DIPESH S JAIN	WHOLE-TIME DIRECTOR	
3	ARUN V SHAH	WHOLE-TIME DIRECTOR	
4	K.C.RADHAKRISHNAN	CHIEF FINANCIAL OFFICER	
5	RAKESH ROSHAN SETHI	COMPANY SECRETARY	

C) The percentage increase in the median remuneration of employees in the financial year: 12.55%

D) The number of permanent employees on the rolls of company: 42

E) The explanation on the relationship between average increase in remuneration and company performance:

There is no increase in remuneration of Directors hence no explanation to offer

F) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Sl.No.	Name	Designation	CTC*	% of increase in CTC	Profit After Tax (PAT)	% increase in PAT
1	SURESH SHAH	MANAGING DIRECTOR	17,30,550	0%	25,59,395	-90.53%
2	DIPESH S JAIN	WHOLE-TIME DIRECTOR	15,84,926	0%		
3	ARUN V SHAH	WHOLE-TIME DIRECTOR	7,53,000	0%		
4	K.C.RADHAKRISHNAN	CHIEF FINANCIAL OFFICER	12,16,500	0%		
5	RAKESH ROSHAN SETHI	COMPANY SECRETARY	76,811	0%		

\* consists of salary / allowance, value of perquisites, bonus and retirement benefits

Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Particulars	Paid Up Capital	Closing Market price per shares	EPS	PE Ratio	Market Capitalisation (Rs)
As on 31.03.2014	4,14,22,000	-	6.53	-	-
As on 31.03.2015	4,14,22,000	21	0.62	33.87	869862000
Increase / Decrease	NIL	21	-5.91	NA	NA
%Increase / Decrease	NIL	NA	-90.51	NA	NA
No. of issue of Share during the year	NIL				

Consequent to the closure of Regional Stock Exchange viz. Madras, Delhi & Ahmedabad Stock Exchange. Your Company listed in BSE during the year with effect from 15.01.2015

H) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof any exceptional circumstances for increase in the managerial remuneration:

Average increase in salaries of employees other than the managerial personnel is 12% and the average increase in the managerial remuneration is 0%

I) The key parameters for any variable component of remuneration availed by the Directors: NA

J) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Nil

K) Affirmation on remuneration as per the remuneration policy of the company: Yes



## **CORPORATE GOVERNANCE REPORT**

(Pursuant to Clause 49 of Listing Agreement) Pursuant to Securities and Exchange Board of India's Circular No.CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014, the Clause 49 of the Listing Agreement shall be applicable to all companies whose equity shares are listed on a recognized stock exchange. However, compliance with the provisions of Clause 49 shall not be mandatory, for the time being, in respect of Companies having paid up equity share capital not exceeding Rs.10 crore and Net Worth not exceeding Rs.25 crore, as on the last day of the previous financial year. However in line with with Clause 49 of the listing agreement with Bombay Stock Exchange (BSE) the Company is regular in complying with the mandatory requirements of the Corporate Governance.

### **1. COMPANY'S PHILOSOPHY**

Corporate Governance is system of rules, practices and processes by which the Company is directed and controlled. It also ensures transparency and fairness in all transactions. The driving forces of Corporate Governance are its core values - Belief in people, Entrepreneurship, Customer Orientation and the Pursuit of Excellence. The Company believes in having high standard of corporate behavior towards everyone we work with. The Company is taking into account of stakeholders' interest before making any business decision.

### **2. BOARD OF DIRECTORS**

The Board Comprises of Three Executive Directors and Four Non-Executive Directors including three Independent Directors. The Board of Directors meets at regular intervals. The Board members possess requisite skills, experience and expertise that are required to take decisions, which are in the best interest of the Company. Board meetings are generally chaired by Mr.Suresh Shah. Policy formulation, evaluation of performance and control functions vest with the Board.

The Composition of Board, attendance at Board Meeting, last Annual General Meeting (AGM) and details of memberships of Director's in Boards and Board Committees held by them are as follows:

Name of the Director	Designation & Category	No. of Board Meetings in the year		Attendance of Last AGM	No. of Outside Directorships	No. of outside Board Committee Memberships
		Held	Attended			
Suresh Shah	Managing Director, Executive	9	9	Yes	NIL	NIL
Dipesh S Jain	Whole-Time Director, Executive	9	9	Yes	NIL	NIL
Arun V Shah	Whole-Time Director, Executive	9	8	Yes	NIL	NIL
S.Srinivasan	Director, Independent	9	9	Yes	NIL	NIL
Na Raghu	Director, Independent	9	9	No	NIL	NIL
K.Venkateswaran	Director, Independent	9	9	Yes	NIL	NIL
Pushpa S Jain	Director, Non-Executive	9	9	Yes	NIL	NIL

### **3. BOARD MEETINGS AND BOARD COMMITTEE MEETINGS**

The Board of Directors has constituted four committees, namely Audit Committee, Stakeholder's Relationship Committee, Nomination and Remuneration Committee and Risk Management Committee. The Board is authorised to constitute additional functional Committees from time to time depending on business needs.

#### **BOARD MEETING**

The Board meetings of the Company are usually held at the Chennai office of the Company at No.1, Barnaby Avenue, Barnaby Road, Kilapuk, Chennai - 600 010. The Company has minimum of four pre-scheduled board meetings in a year. Additional Board meeting are conveyed by giving appropriate notice to address the Company's specific needs.

During the year 9 (Nine) meetings of the Board of Directors were held. The Details of board meetings are given below:



Sl.No.	Date of Meeting	Total Board Strength	No. of Directors Present
1	02.04.2014	6	6
2	30.05.2014	6	6
3	01.08.2014	6	6
4	14.08.2014	6	6
5	29.09.2014	7	7
6	14.11.2014	7	7
7	12.12.2014	7	7
8	19.01.2015	7	7
9	14.02.2015	7	6

## BOARD COMMITTEES

### A) AUDIT COMMITTEE

The Audit Committee of the Company comprises of three Independent Directors. The Audit Committee met four times during the financial year 2014 – 2015 i.e on 30.05.2014, 14.08.2014, 14.11.2014 and 14.02.2015. Attendance and other details of the Audit Committee are as follows:

Sl.No.	Name of the Director	Position	No. Meetings	
			Held	Attended
1	K.Venkateswaran	Chairman	4	4
2	S.Srinivasan	Member	4	4
3	Na Raghu	Member	4	4

All the members are financially literate and having accounting and financial experience. The Audit Committee reviews the financial statements before submission to the board, recommends appointment or removal of Auditors and areas which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the listing agreement.

### B) STAKE HOLDERS' RELATIONSHIP COMMITTEE

The Stake Holders' Relationship Committee (Share Transfer Committee) of the Company comprises of three Independent Directors. The Committee met Nineteen times during the financial year 2014 – 2015. Attendance and other details of the Stake Holders' Relationship Committee are as follows:

Sl.No.	Name of the Director	Position	No. Meetings	
			Held	Attended
1	S.Srinivasan	Chairman	19	19
2	Na Raghu	Member	19	19
3	K.Venkateswaran	Member	19	19

The Committee overseas and reviews all matters connected with the transfer of the Company's Securities, approves issue of duplicate share certificates, monitor's investors' grievances like non-receipt of dividend, non-receipt of Annual Report, change of address etc and perform such other functions as may be necessary. No complaints were received during the year under review.

### C) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company comprises of three Independent Directors. The Committee met one time during the financial year 2014 – 2015. Attendance and other details of the Nomination and Remuneration Committee are as follows:





Sl.No.	Name of the Director	Position	No. Meetings	
			Held	Attended
1	Na Raghu	Chairman	1	1
2	S.Srinivasan	Member	1	1
3	K.Venkateswaran	Member	1	1

The Committee was constituted to determine and recommend payment of remuneration to executive directors. The committee shall also identify the persons, who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the board their appointment/removal and to carry out evaluation of directors' performance and perform such other functions as may be necessary.

#### D) RISK MANAGEMENT COMMITTEE

The Board of the Company has formed a risk management committee to review the risk management process and monitor the risk management plan for the Company. The Audit Committee has additional oversight in the area of financial risks and controls.

#### 4. REMUNERATION OF DIRECTORS

##### EXECUTIVE DIRECTOR:

The Company has three Executive Directors. The details of remuneration paid to the Executive Directors during the year 2014 – 2015 as under:

Sl.No.	Name	Designation	Salary	Perquisites	Total
1	Suresh Shah	Managing Director	13,80,000	3,34,050	17,14,050
2	Dipesh S Jain	Whole-Time Director	12,36,000	3,32,426	15,68,426
3	Arun V Shah	Whole-Time Director	7,20,000	16,500	7,36,500

The Executive Directors are not paid any sitting fees for Board Meetings or Committee Meetings attended by them.

##### NON-EXECUTIVE DIRECTOR:

Remuneration paid to Non-Executive Directors (including Independent Directors) are fixed by the Board and the Compensation is within the limits prescribed under the Companies Act, 2013. None of the Independent Directors of your company have any pecuniary relationship or material transactions with the Company except for Sitting Fees paid to them for attending Board Meetings and Board Committee Meetings.

The details of Remuneration paid to the Non-Executive Directors are as under:

Sl.No.	Name	Category	Sitting Fees paid for the year
1	S.Srinivasan	Independent Director	82500
2	Na Raghu	Independent Director	82500
3	K.Venkateswaran	Independent Director	82500
4	Pushpa S Jain	Non-Executive (Women) Director	15000



Name of the Director	No. of Shares
Suresh Shah	3,37,300
Dipesh S Jain	2,12,850
Arun V Shah	38,500
S.Srinivasan	Nil
Na Raghu	Nil
K.Vekateswaran	Nil
Pushpa S Jain	2,74,500

**6. GENERAL BODY MEETINGS:**

The Details of last three Annual General Meeting are given as under:

Year	Date	Time	Venue
2011 - 2012	28.09.2012	11.00AM	MM.Hotels, No.65/66, Nellukara Street, Kanchipuram - 631 052
2012 - 2013	12.09.2013	11.00AM	MM.Hotels, No.65/66, Nellukara Street, Kanchipuram - 631 052
2013 - 2014	10.09.2013	11.00AM	MM.Hotels, No.65/66, Nellukara Street, Kanchipuram - 631 052

All the resolutions including Special Resolutions as set out in the respective notices were passed by the Shareholders. No Extra Ordinary General Meeting was held during the year. No special resolutions were put through postal ballot last year. There is no proposal to pass any resolution by postal ballot.

**7. WHISTLE BLOWER POLICY**

Your Company has established whistle blower policy as per Companies Act, 2013 and Clause 49 of the listing agreement. The Board of Directors of the Company have formulated and adopted Whistle Blower Policy which aims to provide a channel to the Stake holders (Including directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The mechanism provides adequate safeguards against victimization of Directors and employees to avail the mechanism and direct access to the Chairman of the Audit Committee in exceptional cases.

Your company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

**8. MEETING OF INDEPENDENT DIRECTORS**

During the year, meeting of Independent Directors (without the presence of Executive Directors) was held on 31.03.2015 to review the performance of the Board as a whole on the parameters of effectiveness and to access the quality, quantity and timeliness of flow of information between the Company Management and the Board.

**9. RECONCILIATION OF SHARE CAPITAL AUDIT**

Share Capital Audit was conducted by a Practising Company Secretary, reconciling the issued and listed capital of the Company. The audit confirms that the total paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

**10. MEANS OF COMMUNICATION**

**Quarterly Results:** The Company's quarterly results are published in "Trinity Mirror" and "Makkal Kural" and are displayed in Company's website ([www.kanchikarpooram.com](http://www.kanchikarpooram.com))

**Official News Releases:** Official News Releases are sent to stock exchanges.

**Presentation made to institutional investors/analysts:** During the year no presentations has been made to institutional investors/analysts.

**Website:** The Company's website ([www.kanchikarpooram.com](http://www.kanchikarpooram.com)) contains a separate dedicated section "Investor Info" where shareholders' information is available.

**11. DISCLOSURES****Related Party Transactions:**

All related party entered by the Company during the year was in the Ordinary course of business and at Arm's Length Pricing basis. There were no materially significant related party transactions during the year. The details of transactions with related parties have been disclosed in the notes to the Financial Statement forming part of this Annual Report.

**Compliances by the Company:**

The Company has complied with all the requirements of the listing agreement of the stock exchanges as well as regulations and guidelines of SEBI. No penalties have been levied/strictures been imposed on the Company in the last three years by Stock Exchanges, SEBI and other statutory authorities.

**Code of Conduct for Directors and Senior Management**

The Board of Directors of the Company has adopted a Code of Conduct for Directors and Senior Management and the same is posted on the Website of the Company.

**CEO/CFO Certification**

Mr.Suresh Shah, Managing Director and Mr.K.C.Radhakrishnan, CFO of the Company have certified to the Board with regard to the Compliance made by them in terms of Clause 49 of the Listing Agreement and the Certificate forms part of Annual Report. The Company has complied with all mandatory requirements of Clause 49 of listing agreement.

**12. GENERAL SHAREHOLDERS' INFORMATION**

Annual General Meeting (Date and Time)	11th September 2015: 11.00AM
Venue	MM.Hotels, No.65/66, Nellukara Street, Kanchipuram - 631 052
Book Closure Date	08th August 2015 to 12th August 2015 (both days inclusive)
Date of Payment of Dividend	Between 12th September 2015 to 11th October 2015
Rate of Dividend	5% (Rs.0.50/-per share)
Listing of Equity Shares	Bombay Stock Exchange(BSE)
BSE Stock Code	538896
ISIN	INE081G01019
Corporate Identification Number (CIN)	L30006TN1992PLC022109
Financial Year	01st April to 31st March
<b>FINANCIAL CALENDAR (Tentative)</b>	
30th June 2015	2nd / 3rd Week of August 2015
30th September 2015	2nd / 3rd Week of November 2015
31st December 2015	2nd / 3rd Week of February 2016
31st March 2016	End of May 2016

**13. PAYMENT OF LISTING FEE**

The Company's Securities are listed with BSE Ltd. Annual Listing Fees for the year 2015 – 2016 has been paid by the Company to BSE.

**14. STOCK MARKET PRICE DATA**

The Shares of the Company are traded from 15<sup>th</sup> January 2015 onwards.

Month	BSE	
	High (₹)	Low (₹)
January - 2015	36.00	28.95
February - 2015	52.20	30.05
March - 2015	28.55	20.20

**15. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH 2015**

Sl.No.	Holding	No. of Shareholders		No. of Shares	
		Number	% of Total	Shares	% of Total
1	1 - 1000	1670	48.38	1644400	3.97
2	1001 - 5000	1253	36.3	3296450	7.96
3	5001 - 10000	217	6.29	1961910	4.74
4	10001 - 20000	117	3.39	1930640	4.66
5	20001 - 30000	56	1.62	1453700	3.51
6	30001 - 40000	22	0.64	832680	2.01
7	40001 - 50000	33	0.96	1631000	3.94
8	50001 - 100000	41	1.19	3264650	7.88
9	100001 and Above	43	1.25	25406570	61.34
Total		3452	100	41422000	100

**16. CATEGORY WISE SHAREHOLDING PATTERN AS ON 31st MARCH 2015**

Sl.No.	Category	No. of Shares	% of Holding
1	Resident	1900698	45.89
2	NRI	300800	7.26
3	Corporate Body	153038	3.69
4	Clearing Member	1564	0.04
5	Mutual Funds	35200	0.85
6	Promoters	1750900	42.27
Total		4142200	100

**17. DEMATERIALIZATION OF SHARES**

The Company's shares are available for trading in both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to the Company is INE081G01019.

Particulars	No. of Shares	Percentage
CDSL	16,24,241	39.21
NSDL	5,77,359	13.94
Physical	19,40,600	46.85
Total	41,42,200	100

**18. REGISTRARS AND SHARE TRANSFER AGENTS**

M/s Cameo Corporate Services Limited is the Registrars and Share Transfer Agents of the Company. All matters connected with Share Transfer, Transmission, Change of address, duplicate share certificates and other related matters are handled by the share transfer agent.

**M/s Cameo Corporate Services Limited**, "Subramanian Building" No.1, Club House Road, Chennai – 600 002.  
Phone No.044-28460390-94, Email Id: investor@cameoindia.com

**19. SHARE TRANSFER SYSTEM**

The Shares received for transfer in physical mode are registered within 15 days of receipt of the document (if it is in order) and returned to the transferees immediately thereafter. The Share Transfers are approved by the Share Transfer Committee (Stakeholders' Relationship Committee) which meets as and when required.

**20. DIVIDEND DECLARED FOR LAST 10 YEARS**

Sl.No.	Financial Year	Dividend Per Share
1	2004 - 2005	-
2	2005 - 2006	-
3	2006 - 2007	-
4	2007 - 2008	-
5	2008 - 2009	-
6	2009 - 2010	-
7	2010 - 2011	10/-
8	2011 - 2012	-
9	2012 - 2013	15/-
10	2013 - 2014	15/-

**21. UNCLAIMED DIVIDEND AMOUNTS**

Pursuant to the provisions of Section 123 of the Companies Act, 2013 the dividend which remained unclaimed for a period of Seven (7) years from the date of transfer to the unpaid dividend account is required to be transferred to the "Investor Education Protection Fund" (IEPF) account established by the Central Government along with the shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF account. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company ([www.kanchikarpooram.com](http://www.kanchikarpooram.com)). Members who have not so far encashed their dividend warrant(s) are requested to seek revalidation of dividend warrants in writing to the Company immediately.

**22. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES)**

SEBI has initiated SCORES for processing the investor complaints in a centralised web based redress system and online redressal of all the shareholders complaints. No Shareholders' complaint have been received through SCORES during the year.

**23. COMPLIANCE CERTIFICATE ON COPROATE GOVERNANCE FROM AUDITORS**

Certificate from the Statutory Auditor's of the Company M/s R.Subramaniam and Company, confirming compliance with conditions of Corporate Governance as stipulated under Clause 49 of the listing agreement is attached to this report.

**24. COMPLIANCE WITH CODE OF CONDUCT**

The Company has in place a code of conduct applicable to the board members as well as Senior Management and that the same has been hosted on the Company's website. The members of the Board and Management Personnel affirmed that they have complied with the Code of Conduct for the financial year 2014 – 2015.

**25. CODE FOR PREVENTION OF INSIDER TRADING**

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, the company has instituted a Code of Conduct for prohibition of insider trading in the Company's shares.

**26. COMPLIANCE OFFICER DETAILS AND ADDRESS FOR CORRESPONDANCE**

Mrs. Gayathri S.

Company Secretary & Compliance Officer

Correspondence Address: No.1, Barnaby Avenue, Barnaby Road, Kilpauk, Chennai – 600 010, Phone No. 044-26401914/15/16/17, email: [investorcare@kanchikarpooram.com](mailto:investorcare@kanchikarpooram.com)

Registered Office: Parandur Road, Enathur Village, Karaipettai Post, Kanchipuram – 631552

**For and on Behalf of the Board of Directors**

Place : Chennai

**Arun V Shah**

**Suresh Shah**

Date : 14.08.2015

Whole Time Director

Managing Director

**CEO/CFO CERTIFICATION UNDER CLAUSE 49**

1. We have reviewed financial statements and the cash flow statement of Reliance Industries Limited for the year ended 31st March, 2015 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 our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We 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.

Place: Chennai  
Date: 14.08.2015

**K.C.Radhakrishnan**  
Chief Financial Officer

**Suresh Shah**  
Managing Director

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE****To the Members of Kanchi Karpooram Limited**

We have examined the compliance of conditions of Corporate Governance by Kanchi Karpooram Limited for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the 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 explanation given to us and the representations made by the Director and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 M/s R.SUBRAMANIAN AND COMPANY  
(Chartered Accountants)  
(Firm Registration No.0041375)

**K.Jayasankar**  
Partner  
M.No.014156



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The management of Kanchi Karpooram Limited presents its analysis covering performance of the Company for the year 2014-2015 and the business outlook for the future. The business outlook performance is based on the current business environment and do not include any economic variation.

### **Industrial product and development:**

The Company's major product namely camphor is used for religions purposes. There exists demand and supply gap. It is estimated that the major consumption of camphor is in Tamil Nadu. The plant is situated well within agglomeration limits of the city and logistically well placed.

### **General risks:**

The main raw material for manufacturing Camphor is imported and hence subject to foreign exchange fluctuations. Abnormal exchange variations may have adverse effect on the profits of the Company.

### **Operational risks:**

The major raw material is distilled from tree produce and hence subject to weather conditions and other natural calamities. The raw material's cost depends on supply and demand gap because of wide range of usage of raw material.

### **Financial risks**

The Company's business involves procurement of raw materials in the right time which warrants working capital. The Company has conscious approach to risks in terms of procurement of raw materials at competitive rates keeping in mind the availability of finance.

### **Regulatory and Legal risks**

The Company is exposed to environmental regulations. The Company has adequate system and controls to mitigate various risks.

### **Risk management:**

The Company's risk management is based on various risks and proper risks assessment and strategic measures by continuous monitoring the procedural establishment for this purpose which are in line with normal industrial practice.

### **Internal Control System**

Keeping in mind the size of the Company the business control procedure ensures maximum efficiency and compliance. The procedure also produces well documented policies, authorization and approval etc.

The Company has achieved a turnover of Rs.5284.48 lakhs as compared to 5660.38 lakhs and has profit after tax Rs.25.59 lakhs as compared to Rs.270.40 lakhs loss in the previous year.

### **Managerial Development and Human Resources and Industrial Relation**

there are no material changes in Human resources front during the year under review.

### **Cautionary Statement**

The Management Discussion and Analysis Report contains forwarding looking statements based upon the data available with the Company, assumptions with regard to global economic conditions, the Government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Therefore, it is cautioned that the actual results may materially differ from those expressed or implied in the report.

For and on behalf of the Board of Directors  
**KANCHI KARPOORAM LIMITED**

Place : Chennai  
Date : 14.08.2015

**Arun V Shah**  
Whole Time Director

**Suresh Shah**  
Managing Director

**INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2015****TO****THE MEMBERS OF****KANCHI KARPOORAM LIMITED****Report on Financial Statements**

We have audited the accompanying financial statements of KANCHI KARPOORAM LIMITED ("The Company") which comprise of the Balance Sheet as at 31st March 2015, Statement of Profit & Loss, and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the act') with respect to the preparation of these 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 accounting principles generally accepted in India, including the Accounting Standards Specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules 2014. 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act, and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:





- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2015; and
- b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2015, ('The Order') issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards Specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2015 from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditors report in accordance with Rule 11 of the Companies (Audits and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:-
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - (ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses,
    - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection fund by the Company.

For M/s R.SUBRAMANIAN AND COMPANY  
(Chartered Accountants)  
(Firm Registration No.004137S)

**K.Jayasankar**  
Partner  
M.No.014156

Place : Chennai  
Date : 30<sup>th</sup> May 2015



**Annexure referred to in Paragraph 1 under the heading “Report on other legal and regulatory requirements  
“of our Report of even date to the members of KANCHI KARPOORAM LIMITED on the accounts of the  
company for the year ended 31<sup>st</sup> March, 2015 :**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;  
(b) As explained to us, these fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
- II. (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.  
(c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventories and no material discrepancies noticed on physical verification.
- III. The company has not granted Secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- IV. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the Purchase of Inventories and fixed assets and for the sale of goods and services. During the course of audit we have not observed any continuing failure to correct major weaknesses in internal controls.
- V. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013
- VI. We have broadly reviewed the books of accounts maintained by the company in respect of products the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate or complete.
- VI. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Investor education and protection fund Income-tax, Service act and other material statutory dues, as applicable, with the appropriate authorities in India. No undisputed amounts payable in respect of outstanding statutory dues were in arrears as at 31<sup>st</sup> March 2015 for a period of more than six months from the date they become payable.



- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute, as at 31st March 2015.
- (c) According to the information and explanation made available to us there are no amount required to be transferred to Investor Education and protection fund.
- VII. The company has no accumulated losses as at 31st March 2015. The company has not incurred cash losses in the financial year under report and in the immediately preceding financial year.
- VIII. The company has not defaulted in repayment of dues to Banks/Financial institutions/Debenture holders.
- IX. The company has not given guarantees for loans taken by others from banks or financial institutions.
- X. The term loans have been applied for the purpose for which they were obtained.
- XI. To the best of our knowledge belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year

For M/s R.SUBRAMANIAN AND COMPANY

(Chartered Accountants)

(Registration No.FRNO04137S)

**K.Jayasankar**

Partner

M.No.014156



**BALANCE SHEET AS AT 31ST MARCH 2015**

PARTICULARS	NOTE NO	" AS AT 31-03-2015 "		" AS AT 31-03-2014 "	
		Rs.		Rs.	
<b>A. EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' funds</b>					
a) Share capital	1	4,14,22,000		4,14,22,000	
b) Reserves and surplus	2	3,20,21,012		3,21,51,793	
			7,34,43,012		7,35,73,793
<b>2 Non-current liabilities</b>					
a) Long-term borrowings	3	6,74,652		10,51,600	
			6,74,652		10,51,600
<b>3 Current liabilities</b>					
a) Short-term borrowings	5	17,54,30,858		13,03,05,997	
b) Trade payables	6	1,25,30,777		3,22,61,244	
c) Other current liabilities	7	1,03,97,491		79,26,608	
d) Short-term provisions	8	56,51,956		1,76,52,783	
			20,40,11,082		18,81,46,632
<b>TOTAL</b>			27,81,28,746		26,27,72,025
<b>B. ASSETS</b>					
<b>1 Non-current assets</b>					
a) Fixed assets					
i) Tangible assets	9	3,06,08,277		2,70,46,107	
ii) Intangible assets	9	-		-	
b) Deferred tax Asset (Net)	4	5,86,132		11,85,219	
c) Long-term loans and advances	10	20,19,730		16,74,149	
			3,32,14,139		2,99,05,475
<b>2 Current assets</b>					
a) Inventories	11	16,52,69,275		14,23,36,936	
b) Trade receivables	12	2,41,53,218		4,49,24,459	
c) Cash and bank balances	13	1,73,54,028		1,85,87,051	
d) Short-term loans and advances	14	3,68,20,844		2,55,73,625	
e) Other current assets	15	13,17,242		14,44,479	
			24,49,14,607		23,28,66,550
<b>TOTAL</b>			27,81,28,746		26,27,72,025
Significant Accounting Policies & notes to accounts	23 & 24				

For and on behalf of the Board,

As per our Report of even date  
For R.SUBRAMANIAN AND COMPANY  
Chartered Accountants

Suresh Shah  
Managing Director

K.C.Radhakrishnan  
Chief Financial Officer

Arun V Shah  
Director

K.Jayasankar  
Partner  
M.No: 014156

Place: Chennai  
Date: 30.05.2015



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

PARTICULARS	NOTE No.	31st March 2015 Rs.	31st March 2014 Rs.
I Revenue from operations (Gross)	16	59,35,95,580	63,57,69,786
Less: Excise Duty		(6,51,47,079)	(6,97,31,623)
Revenue from operations (Net)		52,84,48,501	56,60,38,163
II Other Income	17	14,52,915	15,52,504
III Total Revenue ( I + II )		52,99,01,415	56,75,90,667
IV Expenses:			
a) Cost of materials consumed	18	44,24,47,599	42,74,53,713
b) Change in inventories of finished goods and work-in-progress	19	(2,71,32,569)	(2,02,46,929)
c) Employee benefits expense	20	2,43,12,919	2,17,37,561
d) Finance Cost	21	1,74,62,467	1,21,30,968
e) Depreciation and amortization expense	9	35,26,251	1,23,11,728
f) Other expenses	22	6,56,26,266	7,12,57,459
Total Expenses		52,62,42,933	52,46,44,500
V Profit / (Loss) before taxation ( III - IV )		36,58,482	4,29,46,167
VI Tax expenses:			
a) Current tax		5,00,000	1,88,00,000
b) Reversal of Previous Year Provision no longer required		-	(7,45,928)
b) Deferred tax reversal		5,99,087	(21,47,987)
Total Tax expense for the year		10,99,087	1,59,06,085
VII Profit / (Loss) for the year after taxation ( V - VI )		25,59,395	2,70,40,082
VIII Earnings per equity share:			
Weighted average no. of equity shares outstanding during the year		41,42,200	41,42,200
a) Basic (Rs. Per Share)		0.62	6.53
b) Diluted (Rs. Per Share)		0.62	6.53
Significant Accounting Policies & notes to accounts	23 & 24		

For and on behalf of the Board,

As per our Report of even date  
For R.SUBRAMANIAN AND COMPANY  
Chartered Accountants

Suresh Shah  
Managing Director

K.C.Radhakrishnan  
Chief Financial Officer

Arun V Shah  
Director

K.Jayasankar  
Partner  
M.No: 014156

Place: Chennai  
Date: 30.05.2015


**NOTES TO FINANCIAL STATEMENTS**

PARTICULARS	Number of Shares	" As at 31-03-2015 " Rs.	Number of Shares	" As at 31-03-2014 " Rs.
Note 1: Share capital				
a) Share capital				
Authorised share capital				
Equity shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, subscribed and paid up capital				
Equity shares of Rs. 10/- each	41,42,200	4,14,22,000	41,42,200	4,14,22,000
b) Reconciliation of number of shares	Number of Shares	" As at 31-03-2015 " Rs.	Number of Shares	" As at 31-03-2014 " Rs.
Shares Outstanding				
Shares Outstanding as at 1st April 2014 / 1st April 2013	41,42,200	4,14,22,000	41,42,200	4,14,22,000
Shares Outstanding as at 31st March 2015 / 31st March 2014	41,42,200	4,14,22,000	41,42,200	4,14,22,000
c) "List of share holdings more than 5% of total shares issued by the company"	Number of Shares held	% of holdings	Number of Shares held	% of holdings
Suresh Shah	3,37,300	8.14%	3,37,300	8.14%
Pushpa S Jain	2,74,500	6.63%	2,74,500	6.63%
Dipesh S Jain	2,12,850	5.14%	2,12,850	5.14%
Varshaa Goal	3,18,400	7.69%	3,18,400	7.69%

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

PARTICULARS	" As at 31-03-2015 " Rs.	" AS AT 31-03-2014 " Rs.
Note 2: Reserves and surplus		
a) Capital reserve		
State Government Subsidy	40,74,000	40,74,000
b) General reserve		
i) Opening Balance	2,10,00,000	60,00,000
ii) Transfer from Statement of Profit and Loss		1,50,00,000
iii) Closing Balance	2,10,00,000	2,10,00,000
c) Surplus in statement of profit and loss		
i) Opening Balance	70,77,792	23,06,961
ii) Add/(Less): Net Profit / (Loss) for the Year	25,59,395	2,70,40,082
iii) Less: Proposed Dividend Rs 0.5/(1.5) per Share	(20,71,100)	(62,13,300)
iv) Less: Dividend Distribution Tax	(4,33,353)	(10,55,950)
v) Less: Transferred to General Reserve	-	(1,50,00,000)
vi) Depreciation adjustment ( Refer Note 24(11))	(1,85,722)	
	69,47,012	70,77,793
TOTAL (a+b+c)	3,20,21,012	3,21,51,793
Note 3: Long-Term Borrowings		
Term Loans from		
Banks ( Secured by vehicles purchased)	6,74,652	10,51,600
Total	6,74,652	10,51,600
Secured	6,74,652	10,51,600
Total	6,74,652	10,51,600
Current maturities of Long Term Borrowings grouped under "Other Current Liabilities"	7,72,594	9,15,363

- a) HP Loan from Axis bank Rs.2.65 lacs of which Nil under long term borrowings and Rs.2.65 lacs under current maturity. Balance installments - 11. Rate of Interest 10.25%
- b) HP Loan from HDFC bank Rs.0.74 lacs of which NIL under long term borrowings and Rs.0.74 lacs under current maturity. Balance installments - 2. Rate of Interest 11%
- c) HP Loan from HDFC bank Rs.7.12 lacs of which Rs. 4.5 lacs under long term borrowings and Rs.2.62 lacs under current maturity. Balance installments - 30. Rate of Interest 11.01%
- d) HP Loan from HDFC bank Rs.3.96 lacs of which Rs. 2.25 lacs under long term borrowings and Rs. 1.71 lacs under current maturity. Balance installments - 26. Rate of Interest 10.75%



PARTICULARS	" As at 31-03-2015 " Rs.	" AS AT 31-03-2014 " Rs.
<b>Note 4: Deferred tax Asset / Liability (Net)</b>		
a) Deferred tax (Asset) / Liability		
Deferred tax liability:		
Timing Difference on Depreciation of Fixed Assets		
Deferred tax asset:		
Timing Difference on Depreciation of Fixed Assets	(5,86,132)	(11,85,219)
On account of others	-	-
<b>Net Deferred tax (Asset) / Liability</b>	<b>(5,86,132)</b>	<b>(11,85,219)</b>
<b>Note 5: Short Term Borrowings (Secured)</b>		
a) Working capital Loan from Bank of India*	6,95,27,661	6,16,33,818
b) Buyer's Credit*	9,68,28,197	5,61,72,179
*The entire borrowing limits availed/to be availed by the company from Bank of India are secured primarily by First Charge in favour of the Bank, of all the company's Inventory, Book Debts, Plant & Machinery, both present and future, and collaterally secured by First Charge on the company's Factory Land and Buildings by way of Equitable Mortgage. The entire facilities are also collaterally secured by personal property of Directors and also guaranteed by all Directors of the Company and by two relatives of Directors.		
<b>Short Term Borrowings (Unsecured)</b>		
c) Loan from Directors	24,75,000	-
d) Other Unsecured Borrowings	66,00,000	1,25,00,000
<b>TOTAL</b>	<b>17,54,30,858</b>	<b>13,03,05,997</b>
<b>Note 6: Trade Payables</b>		
a) Trade Payables	1,25,30,777	3,22,61,244
The Company has not received information from vendors regarding their status under Micro, Small and Medium Enterprises Act, 2006. The disclosures relating to amounts unpaid as at the year end together with interest payable / paid under this act has not been given		
<b>TOTAL</b>	<b>1,25,30,777</b>	<b>3,22,61,244</b>
<b>Note 7: Other current liabilities</b>		
<b>Other Current Liabilities</b>		
a) Current maturities of long term borrowings	7,72,594	9,15,363
b) Interest accrued but not due on borrowings	2,33,252	1,22,221
c) Unclaimed dividend	21,75,451	13,65,501
d) Other payables		
i) Statutory	12,51,083	10,25,131
ii) Others	59,65,111	44,98,392
<b>TOTAL</b>	<b>1,03,97,491</b>	<b>79,26,608</b>
<b>Note 8: Short term provisions</b>		
<b>Short Term Provisions</b>		
a) Provision for employee benefits		
Gratuity	4,71,880	-
Leave Encashment	5,64,345	16,391
Bonus	16,11,278	15,67,142
b) Provision for taxation (net)	5,00,000	88,00,000
c) Proposed Dividend (Including dividend distribution tax)	25,04,453	72,69,250
<b>TOTAL (a+b+c)</b>	<b>56,51,956</b>	<b>1,76,52,783</b>



Note 9: Fixed Assets

Particulars	Gross Block			Depreciation				Net Block		
	Balance as on 01.04.2014	Additions	Deletions	Balance as on 31.03.2015	Upto 01.04.2014	Depreciation for the period	Depreciation adjusted to Retained earnings (Refer Note 24(11))	Balance as on 31.03.2015	Net Block 31.03.2015	Net Block 31.03.2014
TANGIBLE ASSETS										
Land	812,918	2,093,740	-	2,906,658	-	-	-	-	2,906,658	812,918
Buildings	22,101,102	-	-	22,101,102	11,348,304	748,336	-	12,096,640	10,004,462	10,752,798
Plant & Machinery	100,271,735	4,340,225	-	104,611,960	91,293,054	1,157,600	-	92,450,654	12,161,306	8,978,681
Electrical Installations	7,101,753	-	-	7,101,753	6,790,247	34,585	-	6,824,832	276,921	311,506
Lab Equipments	421,581	-	-	421,581	375,726	12,891	-	388,617	32,964	45,855
Vehicles	6,764,959	640,176	677,264	6,727,871	1,849,962	970,670	-	2,276,306	4,451,565	4,914,997
Air Conditioners	756,220	34,000	-	790,220	295,405	246,263	137,488	679,156	111,064	460,815
Office Equipments	759,924	127,763	-	887,687	384,210	172,010	48,234	604,454	283,233	375,714
Computers	2,046,024	128,685	-	2,174,709	1,782,361	150,522	-	1,932,883	241,826	263,663
Furnitures	1,005,649	42,492	-	1,048,141	876,489	33,374	-	909,863	138,278	129,160
Total	142,041,865	7,407,081	677,264	148,771,682	114,995,758	3,526,252	185,722	118,163,405	30,608,277	27,046,107
INTANGIBLE ASSETS										
Software	88,189	-	-	88,189	88,189	-	-	88,189	-	-
TOTAL (TANGIBLE + INTANGIBLE)	142,130,054	7,407,081	677,264	148,859,871	115,083,947	3,526,252	185,722	118,251,594	30,608,277	27,046,107
Previous Year										
Tangible Assets	135,641,779	7,417,436	1,017,350	142,041,865	103,463,090	12,303,336	-	114,995,758	27,046,107	32,178,689
Intangible Assets	88,189	-	-	88,189	79,797	8,392	-	88,189	-	8,392
Total	135,729,968	7,417,436	1,017,350	142,130,054	103,542,887	12,311,728	-	115,083,947	27,046,107	32,187,081





PARTICULARS	" As at 31-03-2015 " Rs.	" AS AT 31-03-2014 " Rs.
<b>Note 10: Long term loans and advances</b>		
<b>Long Term Loans And Advances</b> (Unsecured, considered good)		
a) Security Deposits	20,19,730	16,74,149
<b>TOTAL</b>	<b>20,19,730</b>	<b>16,74,149</b>
<b>Note 11: Inventories</b>		
<b>Inventories</b>		
a) Raw Materials (Including Goods under Clearance)	7,22,43,393	7,60,74,893
b) Work in progress	5,39,22,913	3,68,91,523
c) Finished Goods	3,56,19,180	2,55,18,001
d) Store, Fuel & Packing Materials	34,83,789	38,52,519
<b>TOTAL</b>	<b>16,52,69,275</b>	<b>14,23,36,936</b>
<b>Note 12: Trade receivables</b>		
<b>Trade Receivables</b>		
<b>(Unsecured and Considered good)</b>		
a) For a period exceeding six months	63,390	2,153
b) Others	2,40,89,828	4,49,22,306
<b>TOTAL</b>	<b>2,41,53,218</b>	<b>4,49,24,459</b>
<b>Note 13: Cash and bank balances</b>		
<b>Cash and Bank Balances</b>		
a) Cash and cash equivalents		
Cash on hand	5,26,423	4,25,038
Balance with scheduled banks in current a/c	4,52,154	16,24,548
b) Other bank balances		
Balance with scheduled banks in deposit a/c		
held as margin money	1,42,00,000	1,51,71,964
Earmarked Balances with bank a/c -Dividend Warrant	21,75,451	13,65,501
<b>TOTAL</b>	<b>1,73,54,028</b>	<b>1,85,87,051</b>
<b>Note 14: Short term loans and advances</b>		
<b>Short term loans and advances</b>		
<b>(Unsecured, considered good)</b>		
a) Security deposits	88,000	88,000
b) Balances with govt authorities	3,22,42,646	2,43,35,627
c) Prepaid expenses	7,72,953	1,98,495
d) Loans and advances to employees	4,33,805	8,13,718
e) Others	32,83,440	1,37,785
<b>TOTAL</b>	<b>3,68,20,844</b>	<b>2,55,73,625</b>
<b>Note 15: Other Current asset</b>		
<b>Other current assets</b>		
a) Interest accrued but not due on deposits with banks	8,88,810	7,00,235
b) Claims receivable	3,62,563	4,54,400
c) Others	65,869	2,89,844
<b>TOTAL</b>	<b>13,17,242</b>	<b>14,44,479</b>



PARTICULARS	For the year Ended 31-03-2015 Rs.	For the year Ended 31-03-2014 Rs.
<b>Note 16: Revenue from operations</b>		
a) Revenue from sale of products (Gross)		
Sale of products		
i) Camphor	44,35,81,660	48,64,96,333
ii) Dipentine	6,02,98,442	7,78,01,787
iii) Others	8,88,59,344	7,00,96,867
	<b>59,27,39,446</b>	<b>63,43,94,987</b>
b) Other operating revenues (Gross)		
Sale of Scrap	8,56,134	13,74,799
<b>TOTAL</b>	<b>59,35,95,580</b>	<b>63,57,69,786</b>
<b>Note 17: Other Income</b>		
<b>Other Income</b>		
a) Interest income from bank	12,60,761	13,04,691
b) Interest income from others	1,34,407	44,610
c) Profit on sale of asset	57,747	1,52,202
d) Miscellaneous Income	-	51,001
<b>TOTAL</b>	<b>14,52,915</b>	<b>15,52,504</b>
<b>Note 18: Cost of materials consumed</b>		
Raw materials		
<b>Imported :</b>		
a) -Oleo Pine Resin	3,60,34,030	2,24,38,269
b) -Commercial Alpha Pinene	27,72,87,194	25,96,30,240
c) -Gum Turpentine	3,98,97,973	3,27,06,424
d) -Other Raw Materials	3,65,90,912	5,91,19,832
<b>Indigenous</b>		
e) Other Materials	5,26,37,489	5,35,58,948
<b>TOTAL</b>	<b>44,24,47,599</b>	<b>42,74,53,713</b>
<b>Note 19: Change in inventories of finished goods, work in progress</b>		
<b>Finished goods and work in progress</b>		
a) Opening stock	6,24,09,524	4,21,62,595
b) Closing stock	(8,95,42,093)	(6,24,09,524)
c) Change in inventory	<b>(2,71,32,569)</b>	<b>(2,02,46,929)</b>
<b>Note 20: Employee benefits expense</b>		
a) Salaries and wages	2,11,68,341	1,91,94,033
b) Contribution to provident and other funds	17,23,303	12,18,420
c) Staff welfare expenses	14,21,275	13,25,108
<b>TOTAL</b>	<b>2,43,12,919</b>	<b>2,17,37,561</b>



<b>Note 21: Finance Costs</b>		
<b>Finance costs</b>		
a) Interest expense on cash credit and others	1,37,39,605	86,33,939
b) Bank charges	37,22,862	34,97,029
<b>TOTAL</b>	<b>1,74,62,467</b>	<b>1,21,30,968</b>
<b>Note 22: Other expenses</b>		
<b>Other expenses</b>		
a) Consumption of stores & spare parts	34,25,825	15,92,685
b) Power and fuel	3,06,97,975	3,34,31,830
c) Rent	15,36,064	13,30,138
d) Repairs to buildings	10,68,371	47,56,754
e) Repairs to machinery	47,12,703	61,19,037
f) Repairs to others	21,63,740	20,84,642
g) General expenses	24,29,474	21,25,021
h) Insurance	5,62,197	7,24,288
i) Rates and taxes	7,07,791	4,57,480
j) Communication expenses	4,68,643	5,19,217
k) Travelling and conveyance	7,15,655	18,88,359
l) Printing and stationery	3,72,951	4,00,366
m) Selling expenses	88,64,707	80,05,714
n) Donations and contributions	5,91,500	6,33,703
o) Legal and professional charges	31,55,780	21,98,283
p) Payments to auditors	4,53,000	4,89,500
q) Net loss on foreign currency transactions and translation	36,89,443	45,00,442
r) Loss on fixed assets sold	10,447	-
<b>TOTAL</b>	<b>6,56,26,266</b>	<b>7,12,57,459</b>

## NOTE 23: SIGNIFICANT ACCOUNTING POLICIES

### (I) BACKGROUND

Kanchi Karpooram Limited ('the company') was incorporated on 31-01-1992. The Company is South India's first and largest producer of a variety of Terpene and Paper chemicals. The Company manufacture Camphor and allied products.

### (II) SIGNIFICANT ACCOUNTING POLICIES

#### 1 BASIS OF PREPARATION

The financial statement are prepared under the historical cost convention method in accordance with the Generally Accepted Accounting Principles (GAAP) and the provisions of the Companies Act 2013 and Mandatory Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 .

#### 2 USE OF ESTIMATES

The preparation of financial statements requires management of the company to make certain estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of financials and reported amounts of income and expenses during the year. Example of such estimate include provision for doubtful receivables, employee benefits, provision for income taxes,



accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment.

The Management believes that these estimates and assumptions are reasonable and prudent. However actual results could differ from these estimates. Differences between actual results and estimates are recognized in the period in which they materialize.

### **3 INCOME RECOGNITION**

Revenue from sale of goods is recognized upon dispatch of goods. Sales are accounted net of Excise Duty, returns, sales tax and freight.

Interest income is recognized using time proportion method.

### **4 FIXED ASSETS AND DEPRECIATION**

- a) Fixed Assets are carried at cost less Accumulated depreciation and impairment loss if any. Cost includes all expenses incurred to bring the assets to its present location and condition and allocated preoperative expenditure during construction period. Income earned out of Trial operations is netted against the cost of the Project.
- b) Fixed assets are depreciated as per Schedule II of the Companies Act, 2013 based on the useful life of the Assets.
- c) Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their recoverable amount.
- d) Borrowing Costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### **5 INVENTORIES**

- a) Raw materials and Stores and spares are valued at cost under First – In – First – Out (FIFO) method.
- b) Finished goods are valued at cost (including applicable overheads and excise duty) or net realizable values whichever is lower
- c) Work-in-progress value is derived from the value of finished goods less estimated cost of work still to be completed.
- d) Modvat / Cenvat / Service Tax credits on materials / capital items are availed on purchases / installation of assets respectively and utilized for payment of excise duty on goods manufactured and the unutilized credit is carried forward in the books.

### **6 FOREIGN CURRENCY TRANSLATIONS**

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies at the yearend are recognized in the profit and loss account.

### **7 EMPLOYEE BENEFITS**

- a. Short term employee benefits are charged off at the undiscounted amount in the year in which related service is rendered.
- b. The company has a defined benefit gratuity plan funded with Life Insurance Corporation of India, covering eligible employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or in termination of employment. Liability for unavailed leave is actuarially valued and is funded with Life Insurance Corporation of India.

### **8 TAXES ON INCOME**

Taxes expense comprises of current tax and Deferred Tax. Current income tax is provided on the taxable income for the period as per the provisions of Income Tax Act, 1961. Deferred Tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that



originate in one period and is capable of reversal in one or more subsequent periods.

## **9 EARNINGS PER SHARE**

The earnings considered in ascertaining earnings per share comprises of the net profit after tax before exceptional items. The number of shares used in computing earnings per share is the weighted average number of shares outstanding during the year. Diluted earnings per share comprises of weighted average number of share considered for deriving basic earnings per share as well as dilutive potential equity shares.

## **10 LEASES**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rental payments made under operating leases are charged to the statement of Profit and Loss.

## **11 SEGMENT REPORTING**

The Company's primary segment is identified as Business segment based on nature of product, risks, returns and the internal business reporting system and the secondary segment is identified based on Geographical location of the customers as per Accounting Standard -17. The Company is principally engaged in a single business segment Viz, manufacture and sale of Camphor and allied products.

## **12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources.

Contingent Liabilities are not recognized, but are disclosed in the notes.

Contingent assets are neither recognized nor disclosed in the financial statements.

## **13 IMPAIRMENT OF ASSETS**

The company determines whether there is any indication of impairment of the carrying amount of its assets. The recoverable amount of such assets is estimated and if any indication of impairment exists, impairment loss is recognized where the carrying amount of the assets exceeds its recoverable amount.

## **NOTE 24. OTHER NOTES**

1. Contingent Liabilities not provided for as on 31-03-2015 - Rs. NIL (PY. Rs. NIL)

2. Related Party Disclosures:-

Key Managerial Personnel (KMP)

A Shri. Suresh V Shah      Managing Director

B Shri. Arun V Shah      Director

C Shri. Dipesh S. Jain      Whole Time Director

Director

Pushpa S Jain      Director

Other Related Parties

M/s Suresh Industries      Firms in which directors have significant influence

M/s Ambika Industries      Firms in which directors have significant influence

Jitendra Shah HUF      Relative of Director

Kavita A Jain      Relative of Director

Lata A Shah      Relative of Director

Shantha V Jain      Relative of Director

Mukhesh Goal      Relative of Director


**Details of Transactions with related parties**

SI No	Name	Nature of Relation	Nature of Transaction	Total Amount		Amount Outstanding as at year end	
				Current Year (Rs)	Previous Year (Rs)	Current Year (Rs)	Previous Year (Rs)
1	Suresh Shah	Director	Remuneration Including Contribution to Provident Fund and other perquisites	17,14,050	16,77,430	1,19,028	1,18,513
2	Dipesh Jain	Director	Remuneration Including Contribution to Provident Fund and other perquisites	15,68,426	15,18,447	1,07,184	1,06,827
3	Arun V Shah	Director	Remuneration Including Contribution to Provident Fund and other perquisites	7,36,500	60,780	61,800	60,780
4	Arun V Shah	Director	Sitting Fees, Conveyance & Out of Pocket Expenses	NIL	1,02,500	NIL	1,02,500
5	Suresh Shah	Director	Unsecured Loan to the Company	7,50,000	NIL	7,50,000	NIL
6	Dipesh Jain	Director	Unsecured Loan to the Company	17,25,000	NIL	17,25,000	NIL
7	Suresh Shah	Director	Interest paid	45,500	NIL	45,500	NIL
8	Dipesh Jain	Director	Interest paid	1,03,070	NIL	1,03,070	NIL
9	Jitendra Shah HUF	Relative	Trade Deposit accepted	9,50,000	NIL	NIL	NIL
10	Kavita A Jain	Relative	Trade Deposit accepted	4,50,000	NIL	NIL	NIL
11	Lata A Shah	Relative	Trade Deposit accepted	10,00,000	NIL	NIL	NIL
12	Shantha V Jain	Relative	Trade Deposit accepted	9,00,000	NIL	NIL	NIL
13	Mukhesh Goal	Relative	Trade Deposit accepted	10,00,000	NIL	NIL	NIL
14	Jitendra Shah HUF	Relative	Interest paid	28,817	NIL	NIL	NIL
15	Kavita A Jain	Relative	Interest paid	12,838	NIL	NIL	NIL
16	Lata A Shah	Relative	Interest paid	28,528	NIL	NIL	NIL
17	Shantha V Jain	Relative	Interest paid	37,700	NIL	NIL	NIL
18	Mukhesh Goal	Relative	Interest paid	30,333	NIL	NIL	NIL
19	Mukhesh Goal	Relative	Consultancy Charges	6,60,000	6,60,000	NIL	NIL
20	Mukhesh Goal	Relative	Telephone Charges	567	4,803	NIL	713
21	Pushpa S.Jain	Relative	Sitting Fees	15,000	NIL	7,500	NIL
22	Suresh Industries	Firm in which director's have significant influence	Sales	92,63,077	1,03,06,393	6,16,793	2,76,741
23	Ambika Industries	Firm in which director's have significant influence	Sales	93,555	2,24,602	NIL	11,061

**3.Basis for calculation of Basic and Diluted Earnings per Share**

Particulars	2014-2015	2013-2014
Net Profit/(Loss) as per Statement of Profit and loss (in Rs.)	2559395	27040082
Weighted Average Number of Equity Shares (in Nos.)	4142200	4142200
Face Value per share(in Rs.)	10	10
Basic and Diluted Earnings Per share	0.62	6.53



#### 4. Payment of Remuneration to Auditors

Particulars	01.04.2014 to 31.03.2015	01.04.2013 to 31.03.2014
Statutory Audit Fee	350000	350000
Tax Audit Fee	25000	25000
Others	78000	114500
<b>Total</b>	<b>4,53,000</b>	<b>4,89,500</b>

#### 5. Segment Reporting

The Company is engaged in Single business of Camphor and allied products and in single geographical segment and hence "Segment Reporting" is not applicable.

#### 6. Employee Benefits

The following table sets forth the status of unvailed leave and Gratuity plan of the Company and of the amounts recognised in the Balance Sheet and statement of Profit and Loss

##### Assumptions:

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
i Discount Rate (Per Annum)	7.80%	9.10%	7.80%	9.10%
ii Salary Escalation	7.00%	7.00%	7.00%	7.00%

##### Changes in present value of obligation

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
i Present Value of obligations as at the beginning of the year	31,50,831	2828601	4,62,052	412771
ii Interest Cost	2,86,726	257056	42047	33847
iii Current Service Cost	3,36,641	283550	146978	115067
iv Benefits Paid	0	(7617)	0	0
v Actuarial gain/(loss) on plan assets	296528	(210759)	358929	(99633)
vi Present Value of obligations as at the end of the year	4070726	3150831	1010006	462052

##### Changes in fair value of plan assets

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
i Fair Value of Plan Assets at the beginning of the year	31,54,003	2608781	4,45,661	275665
ii Expected return on plan assets	2,93,986	249815	38,995	30226
iii Contributions	1,53,230	280502	0	139552
iv Benefits Paid	0	-7617	0	0
v Actuarial gain/(loss) on plan assets	-2,373	22522	-38,995	218
vi Fair Value of Plan Assets at the end of the year	3598846	3154003	445661	445661


**Amounts recognised in the Balance Sheet**

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
i Closing Balance of Present Value of Obligation	4070726	3150831	1010006	462052
ii Closing Balance of Fair Value of Plan Assets	3598846	3154003	445661	445661
iii Unfunded Liability recognised in the Balance Sheet	471880	(3172)	564345	16391

**Amounts recognised in the Profit and Loss Account**

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
i Current Service Cost	336641	283550	146978	115067
ii Interest Cost	286726	257056	42047	33847
iii Expected return on plan assets	(293986)	(249815)	(38995)	(30226)
iv Net Actuarial Gain/(Loss)	298902	(233281)	397925	(99851)
v Expenses recognised in the Profit and Loss Account	628282	57510	547954	18837

**7.Foreign Exchange Earnings and Outgo**

Description	Year 2014-2015	Year 2013-2014
<b>EXPENDITURE</b>		
Foreign Travel Expenditure	137303	413886
Membership & Subscriptions	113921	360166
<b>INCOME</b>		
Export of goods	6461939	11363939

**8. Value of Imports (on CIF Basis)**

Description	Year 2014-2015	Year 2013-2014
Raw Material	356576152	327608504
<b>Total</b>	<b>356576152</b>	<b>327608504</b>

**9. Cost of Material Consumed**

Description	Year 2014-2015	Year 2013-2014
Oleo Pine Resin	36034030	22438269
Commercial Alpha Pinen	277287194	259630240
Gum Turpentine	39897973	32706424
Others	89228401	112678780
- Imported	36590912	59119832
- Indigenous	52637489	53558948
<b>Total</b>	<b>442447599</b>	<b>427453713</b>

Description	2014-2015		2013-2014	
	%	Rs	%	Rs
Imported	88.10%	389810110	87.47%	373894765
Indigenous	11.90%	52637489	12.53%	53558948
<b>Total</b>	<b>100%</b>	<b>442447599</b>	<b>100%</b>	<b>427453713</b>



**10. Operating Lease**

a) Maximum lease payments in respect of vehicle purchased under hire purchase (Future Commitment) is as under:

Particulars	As on 31.03.2015	As on 31.03.2014
Not later than One Year	772594	915363
Later than One Year and not later than Five Years	674652	1051600
Later than Five Years	Nil	Nil

**11. Details of remuneration to Managing Director**

Particulars	Year 2014-2015	Year 2013-2014
Salary	1380000	1380000
Company's contribution to Provident Fund	16500	9360
Other Perquisites	317550	288070
<b>Total</b>	<b>1714050</b>	<b>1677430</b>

**Whole Time Directors**

Particulars	Year 2014-2015	Year 2013-2014
Salary	1956000	1296000
Company's contribution to Provident Fund	33000	10140
Other Perquisites	315926	273087
<b>Total</b>	<b>2304926</b>	<b>1579227</b>

12. Amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31.03.2015 is Rs NIL

13. The company has changed the method of providing depreciation from 1st April 2014 as required by the Companies Act, 2013. Accordingly depreciation is provided in accordance with Schedule II thereof for the current year as against the rates specified in Schedule XIV to the Companies Act, 1956 adopted in the previous year. As a result, depreciation for the current year is higher by Rs. 6.51 lakhs. Further, in respect of assets whose remaining useful life is nil, their carrying amounts as on 1st April 2014, aggregating to Rs.1,85,722/- is adjusted against retained earnings as on 01/04/2014.

14. Previous year figures have been regrouped, wherever necessary and rounded off to the nearest rupee.

For R. Subramanian and Company  
Chartered Accountants  
(Firm Registration No. 004137-S)

K.Jayasankar  
Partner  
M.No: 014156

For and on behalf of the Board

Suresh V Shah  
Managing Director

K.C.Radhakrishnan  
Chief Financial Officer

Arun V Shah  
Director


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

PARTICULARS	As at 31.03.2015 Rs.		As at 31.03.2014 Rs.	
<b>A . CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before tax</b>		<b>36,58,482</b>		<b>4,29,46,167</b>
Adjustments for:				
Depreciation	35,26,251		1,23,11,728	
Finance cost - Interest	1,74,62,467		1,21,30,968	
Interest Income	(13,95,168)		(14,00,302)	
Unrealised Exchange Variation (Net)	-		(24,59,954)	
(Profit)/Loss on sale of assets (net)	(47,300)	1,95,46,250	(1,52,202)	2,04,30,238
Operating Profit / (Loss) before Working Capital changes		<b>2,32,04,732</b>		<b>6,33,76,405</b>
(Increase) / Decrease in trade Inventories	(2,29,32,339)		(3,55,07,444)	
(Increase) / Decrease in trade receivables	2,07,71,241		(1,56,06,678)	
(Increase) / Decrease in Loans and Advances/ other current assets	(1,14,65,563)		(48,32,626)	
Increase / (Decrease) in trade and other payables	(1,61,95,613)		2,76,42,527	
		<b>(2,98,22,274)</b>		<b>(2,83,04,221)</b>
Cash generation from operations		(66,17,542)		3,50,72,184
Less: Interest Paid on Working Capital borrowings and bank charges	(1,72,52,432)		(1,12,11,805)	
Less: Income tax paid	(88,00,000)		(1,33,52,400)	
		(2,60,52,432)		(2,45,64,205)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>		<b>(3,26,69,974)</b>		<b>1,05,07,978</b>
<b>B.CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest received	13,95,168		14,00,302	
(Increase) / Decrease in Fixed deposits	1,62,014		28,036	
Purchase of Fixed Assets	(74,07,081)		(74,17,436)	
Sale of Fixed Assets	1,80,237		3,98,884	
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		<b>(56,69,662)</b>		<b>(55,90,214)</b>
<b>C.CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Increase / (Decrease) on loans from bank	4,47,47,913		47,54,816	
Interest on borrowings	(2,10,035)		(9,19,163)	
Dividend and Dividend Distribution tax paid	(72,69,250)		(72,69,250)	
<b>NETCASH FLOW FROM FINANCING ACTIVITIES (C)</b>		<b>3,72,68,628</b>		<b>(34,33,597)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		(10,71,009)		14,84,167
Cash and Cash equivalents at the beginning		20,49,586		5,65,420
Cash and Cash equivalents at the close		9,78,577		20,49,586
		<b>(10,71,009)</b>		<b>14,84,166</b>
<b>Note:</b>				
Cash and cash equivalents consist of Cash on Hand, Balance with Banks. Cash equivalents included in Cash Flow Statement comprises the following Balance Sheet amounts:				
(i) Balances with banks				
- in Current accounts		4,52,154		16,24,548
(ii) Cash on hand		5,26,423		4,25,038
		<b>9,78,577</b>		<b>20,49,586</b>

For and on behalf of the Board,

 As per our Report of even date  
For R.SUBRAMANIAN AND COMPANY  
Chartered Accountants

 Suresh Shah  
Managing Director

 K.C.Radhakrishnan  
Chief Financial Officer

 Arun V Shah  
Director

 K.Jayasankar  
Partner

M.No: 014156

 Place: Chennai  
Date: 30.05.2015

**KANCHI KARPOORAM LIMITED**

CIN: L30006TN1992PLC022109

Registered Office: Parandur Road, Enathur Village, Karaipettai Post, Kanchipuram – 631552

**PROXY FORM**

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

**22<sup>nd</sup> ANNUAL GENERAL MEETING**

Name of the Member(s)	
Registered Address	
E-Mail ID	
Folio No./Client ID :	
DP ID:	

I/We being the member(s) of **KANCHI KARPOORAM LIMITED** having shares of \_\_\_\_\_  
hereby appoint:

1. Name: \_\_\_\_\_ Address \_\_\_\_\_  
E-Mail Id \_\_\_\_\_ Signature \_\_\_\_\_
2. Name: \_\_\_\_\_ Address \_\_\_\_\_  
E-Mail Id \_\_\_\_\_ Signature \_\_\_\_\_
3. Name: \_\_\_\_\_ Address \_\_\_\_\_  
E-Mail Id \_\_\_\_\_ Signature \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> Annual General Meeting of the Company, to be held on Thursday, the 11<sup>th</sup> day of September 2015 at 11.00A.M. at M.M.Hotels. 65/66, Nellukara Street, Kanchipuram, Tamilnadu – 631 502 and at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Proposed Resolution
Ordinary Business	
1	Adoption of Financial Statements of the Company for the year ended 31st March 2015
2	Declaration of Dividend
3	Re-Appointment of Mrs.Pushpa S Jain as Director who retires by rotation
4	Appointment of M/s R.Subramanian and Co., Chartered Accountants as the Statutory Auditor of the Company
Special Business	
5	Keeping Registers, returns etc., at a place other than the Registered Office:

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of the shareholder(s)

**Note**

This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.

Affix Revenue  
Stamp not less  
than Rs.1/-

**KANCHI KARPOORAM LIMITED**

CIN: L30006TN1992PLC022109

Registered Office: Parandur Road, Enathur Village, Karaipettai Post, Kanchipuram – 631552

**ATTENDANCE SLIP  
22<sup>nd</sup> ANNUAL GENERAL MEETING**

Regd.Folio No./DPID & Client ID	
No.of Shares	
Name of the Member(s)	
Name of the Proxy	

I/we hereby record my/our presence at the 22<sup>nd</sup> Annual General Meeting of the Company being on Thursday, the 11<sup>th</sup> September 2015 at 11.00A.M at M.M.Hotels. 65/66, Nellukara Street, Kanchipuram, Tamilnadu – 631 502

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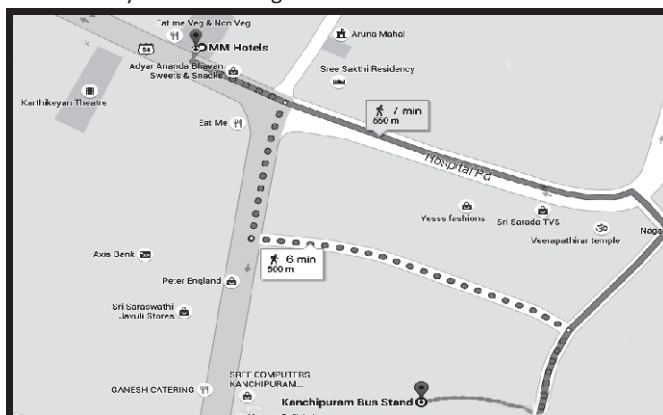
Member/Proxy Signature**Note:**

1. Member/proxy wishing to attend the meeting must bring the attendance slip at the meeting and hand over at the verification counter at the Meeting Hall duly filled and signed.
2. Member/proxy attending the meeting shall bring their copy of the Annual Report for reference at the meeting.

**ELECTRONIC VOTING PARTICULARS**

EVSN	User ID	Password
(Electronic Voting Sequence Number) 150722001	Folio No./DP,Client ID	Use your existing password or enter your PAN/Bank A/C No. / Date of Birth

Note: Please refer the details and instructions in the notice of the 22<sup>nd</sup> Annual General Meeting. The Voting period starts from 10.00A.M. on 08<sup>th</sup> September 2015 and end on at 05.00PM on 10<sup>th</sup> September 2015. The Voting module shall be disabled by CDSL for voting thereafter.



REGISTERED POST / COURIER

If undelivered, Please return to :

**KANCHI KARPOORAM LIMITED**

CIN : L30006TN1992PLC022109

**Chennai Office :**

No.1, Barnaby Avenue, Barnaby Road,  
Kilpauk, Chennai - 600 010. Tamilnadu.

**Regd. Office :**

Parandur Road, Enathur Village,  
Karaipettai Post, Kanchipuram - 631 552.

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Email : [info@kanchikarpooram.com](mailto:info@kanchikarpooram.com) / Website : [www.kanchikarpooram.com](http://www.kanchikarpooram.com)