



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



Ref: KKL/SE/2018

28.09.2018

BSE Limited

General Manager - DCS
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Sub: Submission of Annual report-2017-2018

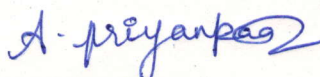
Ref: Scrip ID - KANCHI, Scrip Code - 538896

With reference to the above captioned subject and pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015), please find enclosed the annual report of 2017-2018 as required under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Request you to take the same on records.

Thanking you

For Kanchi Karpooram Limited



A. Priyanka
Company Secretary



KANCHI KARPOORAM LIMITED

TWENTY FIFTH
ANNUAL REPORT
2017-2018



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 email.

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.

We would also like to draw your attention to the Amendment To Regulation 40 Of Securities Exchange Board Of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 vide gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only. Hence, all members are advised to get their physical shares dematerialized. Please refer our Website www.kanchikarpooram.com for the procedure to dematerialize the physical shares.



KANCHI KARPOORAM LIMITED

BOARD OF DIRECTORS

Mr. Suresh V Shah, Managing Director

Mr. Dipesh S Jain, Whole-time Director

Mr. Arun V Shah, Whole-time Director

Mr. S. Srinivasan, Non Executive & Independent Director

Mr. Narasimhan Raghu, Non Executive & Independent Director

Mr. K. Venkateswaran, Non Executive & Independent Director

Mrs. Pushpa S Jain, Non Executive Director

CHIEF FINANCIAL OFFICER

Mr. K. C. Radhakrishnan

COMPANY SECRETARY

Ms. A. Priyanka

AUDITORS

M/s. P. Chandrasekar, LLP

Chartered Accountants

Flat 4a, 4th Floor, Dixit Griha Apartments,

No.10, Nyniappan Street,

R.A.Puram, Chennai – 600 028.

SECRETARIAL AUDITOR

M/s. P. Sriram & Associates

Practicing Company Secretaries

10/17, Anandam Colony, South Canal Bank Road

Mandaveli, Chennai - 600 028.

BANKERS

1. Citi Bank, N.A.,
No. 163 Anna Salai, Second Floor, Chennai - 600002.
2. 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, 631552, Tamil Nadu, India

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Cameo Corporate Services Ltd.

"Subramanian Building"

No.1, Club House Road, Chennai, 600002, Tamilnadu, India.

E-Mail Id: investor@cameoindia.com



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**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the 25th Annual General Meeting of the members of Kanchi Karpooram Limited will be held on Thursday, 27th September, 2018 at 11.00 a.m. at M. M. Hotels, 65/66, Nellukara Street, Kanchipuram, 631502, Tamilnadu, India, to transact the following business:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements for the Financial Year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend on equity shares for the year ended 31st March, 2018.
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

Special Resolution:

4. To approve Related Party Transactions and in this regard to consider and if thought fit, to pass with or without modification(s), following resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the Regulation 23 of the SEBI (LODR), 2015 and subject to such approvals, consents, sanctions and permission as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company/ Committee of Directors, to enter into contracts and/or agreements with M/s Suresh Industries for sale, purchase or supply of any goods or materials for maximum amount not exceeding Rs.25 Crores (Rupees Twenty five Crores Only) per annum, M/s Ambika Industries for sale, purchase or supply of any goods or materials for maximum amount not exceeding Rs.1 Crore (Rupees One Crore Only) per annum and M/s Rahul Industries for sale, purchase or supply of any goods or materials for maximum amount not exceeding Rs.1 Crore (Rupees One Crore Only) per annum .

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in this regard and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable and its decision shall be final and binding.

5. 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 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to M/s. N. Sivashankaran & Co., Cost Accountants (FIRM REG NO.100662) who was appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the FY 2018-19, amounting to Rs. 50,000/- per annum plus applicable Goods and Service Tax and out-of-pocket expenses incurred in Connection with the aforesaid audit, be and is hereby ratified.

6. To consider and if thought fit to pass with or without modification(s) the following resolution as SPECIAL Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company be and is hereby authorized to pay remuneration, an amount, by way of commission to the Whole Time Directors of the Company, as the Board of Directors may from time to time, determine, and that such remuneration including the Managerial Remuneration approved by the Shareholders of the Company under Section 197 read with Schedule V of the Companies Act, 2013 shall not exceed 10% of the net profits of the Company in any financial year (computed in the manner provided in Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof and such payments shall be made out of the profits of the company for each year

"RESOLVED FURTHER THAT pursuant to the provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company be and is hereby authorized to pay remuneration, an amount, by way of commission to the Non Executive Directors of the



Company, in addition to sitting fees for attending the meetings of the Board of Directors or Committees thereof, reimbursement of expenses for participation in the Board and other meeting, as the Board of Directors may from time to time, determine, and that such remuneration shall not exceed 1% of the net profits of the Company in any financial year (computed in the manner provided in Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof and such payments shall be made out of the profits of the company for each year and subject to an individual limit of remuneration for each of the Non-Executive Directors.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to his resolution including payment of such remuneration for any period or periods.

For & on Behalf of the Board
For KANCHI KARPOORAM LIMITED

Place: Chennai
Date: 14.08.2018

Dipesh S Jain	Suresh V Shah
(DIN: 01659930)	(DIN: 01659809)
Whole-time Director	Managing Director

7. To consider and, if thought fit, to pass with or without modification(s), as an Ordinary Resolution-

"RESOLVED THAT pursuant to provision of Section 61(1)(a) of the Companies Act, 2013, and any other applicable provisions and the relevant rules framed there under and in accordance with the provisions of the Articles of Association of the Company, the authorised share capital of the Company be and is hereby increased from `Rs 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Rupees Fifty Lakhs only) equity shares of `Rs 10/- each to `Rs 7,00,00,000/- (Rupees Seven Crores only) divided into 70,00,000 (Rupees Seventy Lakhs only) equity shares of `Rs 10/- each by creating additional 20,00,000 (Twenty Lacs only) equity shares of `10/- each."

"RESOLVED FURTHER THAT the new equity shares shall rank paripassu with the existing equity shares."

"RESOLVED FURTHER THAT any two of the Directors of the Company and Company Secretary be and are hereby authorized to sign necessary forms, take all necessary steps and actions and give such directions as may be in their absolute discretion deemed necessary for the purpose of giving effect to this resolution."

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

"RESOLVED THAT the consent of the Company be and is hereby accorded under provisions of section 13 of the Companies Act, 2013 to amend the existing Clause V of Memorandum of Association of the Company by substituting following lines as mentioned here under:

- V. The Authorised Share Capital of the Company is Rs 7,00,00,000 (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lakhs) equity shares of `10/- (Rupees Ten only) each." The Company shall have the power and authority to increase or decrease its capital and to classify the shares or to attach thereto any preferential or special rights, conditions and restrictions and to vary, modify any such rights, privileges or conditions whether in respect of dividend or payments of capital or both and generally on such terms as may be determined under the regulations of the Company for the time being.

"RESOLVED FURTHER THAT any two of the Directors of the Company and Company Secretary be and are hereby authorized to sign necessary forms, take all necessary steps and actions and give such directions as may be in their absolute discretion deemed necessary for the purpose of giving effect to this resolution."

9. ALLOTMENT OF WARRANTS, CONVERTIBLE INTO EQUITY SHARES TO PROMOTERS ON PREFERENTIAL BASIS:

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

"RESOLVED THAT pursuant to the provisions of the sections 42 and 62 and all other applicable provisions, if any, of



the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("ICDR Regulations"), and any other Rules / Regulations / Guidelines, if any, prescribed by the Securities and Exchange Board of India, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company to create, offer, issue and allot, from time to time and in one or more tranches, upto 2,22,220 (Two lakhs twenty two thousand two hundred and twenty) Warrants ("Warrants") convertible into equity shares of face value Rs. 10/- each of the Company, and at a premium of Rs.350/- at any time within 18 months from the date of allotment of the Warrants, in one or more tranches, for cash, at an exercise price of Rs. 360/- per Warrant (including premium) ("Issue Price") aggregating upto Rs. 7,99,99,200/- (Rupees Seven Crore ninety nine lakhs ninety nine thousand and two hundred Only) to Mr. Dipesh S Jain, Mr. Suresh V Shah, Ms. Pushpa S Jain, Ms. Kavita Jain ("Allottees") on preferential basis, in accordance with the provisions of Chapter VII of the ICDR Regulations, at such time or times and on such terms and conditions and in such manner as may be decided by the Board in this regards:-

Sr. No	Name of the Allottee	Number of Warrants	Category
1.	Dipesh S Jain	125000	Promoter
2.	Suresh V Shah	83220	Promoter
3.	Pushpa S Jain	8500	Promoter
4.	Kavita Jain	5500	Promoter
	Total	222220	

RESOLVED FURTHER THAT an amount equivalent to 25 per cent of the Issue Price shall be payable at the time of subscription to and allotment of each Warrant. The balance 75 per cent of the Issue Price shall be payable by the Allottee upon exercise of the entitlement attached to Warrant(s) to subscribe for Equity Share(s). The amount paid against Warrants shall be adjusted / set off against the Issue Price payable for the resultant Equity Shares.

RESOLVED FURTHER THAT:

- In accordance with the provisions of ICDR Regulations, the "Relevant Date" for the purpose of calculating the price of the Warrants to be issued in terms hereof shall be August 28, 2018 being the date 30 days prior to the date of the Annual General Meeting scheduled to be held on September 27, 2018.
- Each Warrant shall be convertible into 1 (one) equity share of nominal value of Rs. 10/- each at the Issue Price of Rs. 360/- per Warrant which is not less than the price calculated in accordance with the ICDR Regulations. The total number of equity shares to be allotted on conversion of the Warrants shall not exceed 2,22,220 equity shares. The Warrants are convertible into the equity shares at any time after allotment at the option of the Allottee, in one or more tranches, subject to a maximum period of 18 months from the date of their allotment.
- The equity shares to be allotted pursuant to conversion of Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company. The equity shares arising on conversion of Warrants shall rank paripassu with the existing equity shares of the Company in all respects.



- iv. The Equity Shares allotted in terms of this resolution shall be subject to lock-in as per provisions of ICDR Regulations.
- v. The Board be and is hereby authorized to seek listing and trading of the equity shares issued pursuant to conversion of warrants on the Stock Exchange where the equity shares of the Company are listed.
- vi. The Board be and is hereby authorized to accept and effect any conditions and modifications as may be required by the agencies involved in such issues including but not limited to SEBI, RBI, Stock Exchange and/or such other appropriate authorities.
- vii. The Warrants shall be issued and allotted by the Company to Allottee within a period of 15 days from the date of receipt of shareholders approval for the Preferential Issue of Warrants, provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.
- viii. The Warrants may be exercised at any time before the expiry of 18 months from the date of allotment of the Warrants.
- ix. If the entitlement against the Warrants to apply for the equity shares is not exercised within the specified period of 18 months, such entitlement shall lapse and the amount paid on such Warrants shall stand forfeited.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, to issue and allot Equity Shares upon exercise of the entitlement attached to Warrants, issuing certificates / clarifications, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and Equity Shares and utilisation of proceeds of the Warrants / Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decisions of the Board shall be final, binding and conclusive in all respects.

RESOLVED FURTHER THAT the Company do make an application to the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) for admission of the new equity shares issued pursuant to conversion of Warrants issued on preferential basis, as and when required."

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by above resolutions to any Director or to any Committee of Directors or any other executive(s) / officer(s) of the Company or any other person as the Board at its discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings, etc as may be necessary to give effect to the aforesaid resolution."

Place : Chennai
Date : 29.08.2018

Dipesh S Jain
(DIN: 01659930)
Whole-time Director

For & on Behalf of the Board
KANCHI KARPOORAM LIMITED

Suresh V Shah
(DIN: 01659809)
Managing Director

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY

A person can act as proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10%) 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 cannot act as a proxy for any other person or shareholder

Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty eight hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. A proxy form is attached hereto.

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. 22.
3. Corporate Members intending to send their authorized representatives to attend the meeting are required to send a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote on their behalf at the Meeting
4. 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.
5. Members, Proxies and Authorized Representatives are requested to bring to the meeting the attendance slip enclosed herewith, duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. Duplicate attendance slip or copies of the Report and Accounts will not be made available at the AGM venue.
6. In terms of Section 152 of the Companies Act, 2013, Mrs. Pushpa S Jain (DIN: 06939054) Director of the Company, retires by rotation at the meeting and being eligible, offers herself for re-appointment. A brief resume of the directors proposed to be appointed / re-appointed, nature of her expertise in specific functional areas, names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter se as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, and Clause 1.2.5 of Secretarial Standards-2 on General Meetings, are provided in the annexure to the notice.
7. Relevant documents referred to in the accompanying Notice and the statement are open for inspection by the members at the Chennai office of the Company on all working days (except Sundays and Public holidays) between 11.00 a.m. to 04.00 p.m. up to the date of this Annual General Meeting ("AGM") and also at the AGM.
8. The Register of Members and Share Transfer Books of the Company will remain closed from the 21st September, 2018, Friday to 27th September, 2018, Thursday (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the meeting.
9. If Dividend as recommended by the Board of Directors is approved at the AGM, the payment of dividend will be made on/before 25th October, 2018 to those members whose names shall appear on the Company's register of members on the closure of business hour on 21st September, 2018 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.
10. 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.



11. 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/ Cameo.
12. 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.
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), as also on the website of Ministry of Corporate Affairs.
14. 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.
15. 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.
16. 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, PAN if not furnished earlier.
17. 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.
18. Members may also note that the Notice of the 25th AGM and the Annual Report for FY 2017-18 will be available on the Company's website www.kanchikarpooram.com for their download and also on the website of Central Depository Services (India) Limited viz. www.evotingindia.com. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post free of cost. For any communication/ queries the shareholders may also send requests to the Company's investor email id: secretarial@kanchikarpooram.com
19. Share transfer documents and all correspondence relating thereto, should be addressed to the Registrars and Share Transfer Agents of the Company M/s. Cameo Corporate Services Ltd. "Subramanian Building" No.1, Club House Road, Chennai, 600002, Tel : Phone No.044-28460390 - 94, Email Id: investor@cameoindia.com / cameo@cameoindia.com
20. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be 20th September, 2018. Please note that members can opt for only one mode of voting i.e., either by voting at the meeting or e-voting. If Members opt for e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting may also attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again
21. A route map showing directions to reach the venue of the 25th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings"
22. Information and other instructions relating to e-voting are as under:
 - A. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (a electronic voting system from a place other than venue of the AGM) to exercise their right to



vote at the 25th AGM. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL). The instructions to members for voting electronically are as under:

- I. Log on to the E-Voting website www.evotingindia.com
- II. Click on "Shareholders" tab to cast your votes
- III. Now fill up the following details in the appropriate boxes
- IV. Next enter the Image Verification as displayed and Click on Login.

Particulars	For Members holding shares in Demat Form	For Members holding shares in Physical form
User ID	For NSDL 8 Characters of DP ID followed by 8 Digits of Client ID For CDSL 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	

- V. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- VI. If you are a first time user follow the steps given below:

PAN	For Members holding shares in Demat Form and Physical Form Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (V).



- VII. After entering these details appropriately, click on "SUBMIT" tab.
- VIII. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- IX. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- X. Click on the EVSN of KanchiKarpooram Limited.
- XI. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XII. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XIII. After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- XIV. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XV. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- XVI. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVII. Note for Non – Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XVIII. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- XIX. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kanchikarpooram.com and on website of CDSL e-Voting www.evotingindia.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited where the shares of the Company are listed.
- B. The voting period begins on 24th September, 2018 at 10.00 am and ends on 26th September, 2018 at 05.00 pm. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off-date (record date) of 20th September, 2018 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter
- C. In case of any query pertaining to E-Voting, please refer the FAQs section and E-voting manual available at www.evotingindia.com or write an email to 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 20th September, 2018.
- II. M/s. P. Sriram & 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 assent/dissent form sent herewith or can be downloaded from our website 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 20th September, 2018 to reach M/s P. Sriram & 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 and on the website of CDSL within two (2) days of passing the resolutions at the AGM of the Company and will be communicated to BSE Limited.

For & on Behalf of the Board
For KANCHI KARPOORAM LIMITED

Place: Chennai
Date: 14.08.2018

Dipesh S Jain
(DIN: 01659930)
Whole-time Director

Suresh V Shah
(DIN: 01659809)
Managing Director



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

Item No. 4: The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case of sale, purchase or supply of any goods or materials, (whether directly or through any agent) and wherein the amount involved amounts upto ten per cent of the turnover of the company or rupees hundred crore, whichever is lower, prior approval of the shareholders by way of a Ordinary Resolution must be obtained.

In the light of provisions of Section 188 (1) of the Companies Act, 2013 and the rules made thereunder, and also as per the Provisions laid down in Regulation 23 laid as per the SEBI(LODR),2015the Audit Committee and the Board of Directors of your Company have approved the proposed transactions along with annual limit,that your Company may enter into with the related parties. The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

Name of the Related Party	Name of the Directors who are related	Nature of Relationship	Nature of Transaction	Maximum value of transaction per annum
M/s Suresh Industries	SURESH SHAH DIPESH S JAIN ARUN SHAH PUSHPA S JAIN	Firms in which director and their relatives have significant influence	Sale, purchase or supply of any goods or materials	Rs.25 Crore Only (Rupees Twenty Five Crore Only)
M/s Ambika Industries	SURESH SHAH DIPESH S JAIN ARUN SHAH PUSHPA S JAIN	Firms in which director and their relatives have significant influence	Sale, purchase or supply of any goods or materials	Rs.1 Crore Only (Rupees one Crore Only)
M/s Rahul Industries	SURESH SHAH DIPESH S JAIN ARUN SHAH PUSHPA S JAIN	Firms in which director and their relatives have significant influence	Sale, purchase or supply of any goods or materials	Rs.1 Crore Only (Rupees one Crore Only)

The members are further informed that no member/s of the Company being a related party or having any interest in the resolution as set out at item No. 4 shall be entitled to vote on this resolution.

The Board of Directors recommends the resolution set forth in item No. 4 for approval of the Members.

Except Promoter Directors and their relatives (to the extent of their shareholding interest in the Company), no other director or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in this resolution.

Item No.5: Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records for the applicable products of the Company. As per the said Rules, remuneration payable to the Cost Auditors is required to be ratified by the members of the Company in the general meeting. The Board of Directors at its meeting held on May 16, 2018, had considered and approved the appointment of M/s. N. Sivashankaran & Co., Cost Accountants, (Firm Reg No. 100662) as the Cost Auditors of the Company for the FY 2018-19 on a remuneration of Rs. 50,000/- (Rs. Fifty Thousand ONLY) per annum plus applicable Goods & Service tax and out of pocket expenses that may be incurred.

Copies of relevant resolution of the Board of Directors are available for inspection of the members on any working day of the Company between 9.00 a.m. and 5.00 p.m. at the Registered office of the Company. The Board of directors accordingly recommend the resolutions set out in Item No. 5 of the accompanying Notice for the approval of members.

Item No.6: The Directors are required to devote more time and attention. Further, taking into consideration the current competitive business environment and corporate governance norms which require enhanced levels of decision making thereby making the responsibilities of the Directors more onerous, it is proposed to remunerate the Executive Director(s) of the Company who in the whole time employment with such commission upto a ceiling of 10% of the net profits of the Company for every year, as computed in the manner referred to in Sections 197 , 198, of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



In view of Sections 149, 197 and any other relevant provisions of the Companies Act, 2013 coming into effect from April 1, 2014, it is proposed that the Non Executive Directors be paid remuneration by way of commission, either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other and, in addition to sitting fees for attending the meetings of the Board of Directors or Committees thereof, reimbursement of expenses for participation in the Board and other meeting, as the Board of Directors may from time to time, determine, and that such remuneration shall not exceed 1% of the net profits of the Company in any financial year .

Approval of the members is sought by way of a Special Resolution under the applicable provisions of the Companies Act, 2013 for payment of remuneration to the Directors including Non Executive Director and the Whole time Directors. The Directors may be deemed to be concerned or interested in the resolution set out at item No. 6 to the extent of remuneration or fees that may be received by them. The relatives of Directors may be deemed to be interested or concerned in the resolution set out at item No. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company. The Board recommends the Special Resolution set out at item No.6 of the Notice for approval by the members of the Company.

Item no 7 & 8

The Company proposes to raise funds up to Rs 7,00,00,000/- (Rupees Seven Crores only) by issuing further equity shares on preferential basis and any other securities in one or more combination thereof. The existing Authorised Capital of the Company is Rs 5,00,00,000/- (Rupees Five Crores only) which would not be sufficient to cover the proposed amount of issue.

In view of this, the Company proposes to increase the existing authorised equity capital from ` Rs 5,00,00,000/- (Rupees Five Crores only) to Rs 7,00,00,000/- (Rupees Seven Crores only) by creating additional 20,00,000 (Twenty Lacs only) equity shares of Rs 10/- each thereby increasing the existing Authorised Capital from 5,00,00,000/- (Rupees Five Crores only) to Rs 7,00,00,000/- (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lakhs only) equity shares of Rs 10/- each.

The proposed increase in Authorised Capital will consequently require alteration in Capital clause V of Memorandum of Association of the Company.

The Ordinary resolution is therefore proposed at item no. 7 of the notice to increase the Authorised Share Capital of the Company and Special resolution is proposed at item no 8 of the notice for making necessary alterations in Capital clause V of Memorandum of Association of the Company.

The Directors recommend these Resolutions at Item No.7 & 8 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

Item No. 9

The disclosures in accordance with the Companies Act, 2013, and the other disclosures as per the SEBI ICDR Regulations and the other applicable provisions of law, in relation to the Special Resolution set out in the Item no. 9 of the accompanying Notice are as follows:

1. The Objects of the Preferential Issue:

The Company is enjoying a substantial market share of its products manufactured at present. The Directors find it potential to go for an increase in the capacity of production of its products as well as add few more new value added products in its list in the years to come. The market study for the new products is encouraging. In order to carryout the expansion as well as the production of new products, the Company requires more plant area.

Keeping this in view, the Company has already acquired land adjacent to the existing land by funding from internal accruals and loans. This land will be used for constructing new administrative blocks and utility areas to cater the future production level and also thus increase the existing plant working area.



The estimated cost of project for land, building and Plant and Machinery is Rs. 14,00,00,000/- (Rupees fourteen crore only). The project is targeted to be completed in 18 months.

2. The proposal of the promoters / directors or key management personnel to subscribe to the offer:

Except Mr. Dipesh S Jain, Mr. Suresh V Shah, Ms. Pushpa S Jain, Ms. Kavita Jain none of the other Promoters or Directors or Key Management Personnel of the Company shall subscribe to the Offer.

3. The Shareholding pattern before and after the Preferential Issue is given below:

PARTICULARS	PRE PREFERENTIAL ISSUE		^POST PREFERENTIAL ISSUE	
	No. of shares	%	No. of shares	%
Promoters	1725900	41.67	1948120	44.64
Public	2416300	58.33	2416300	55.36
Total	4142200	100	4364420	100

^Assuming all the Warrants are converted in to equity shares of the Company.

^ Conversion of Warrants shall be in accordance with regulation 3 of the extant Takeover Code, 2011.

4. Proposed time within which the Preferential Issue shall be completed:

The allotment of Warrants shall be completed within a period of 15 days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of receipt of such approvals.

5. Relevant date and pricing of the issue:

In accordance with the provisions of ICDR Regulations, the "Relevant Date" for the purpose of calculating the price of Equity Shares shall be 28th August 2018, being the date 30 days prior to the date of the Annual General Meeting to be held on 27th September, 2018 Pursuant to regulation 76 of the ICDR Regulations, Issue Price of each Warrant is fixed at Rs. 360/- (Rupees three hundred and sixty only).

6. Auditors' Certificate:

A copy of certificate from the Statutory Auditors of the Company certifying that the above Issue of the Warrants is being made in accordance with the ICDR Regulations, shall be placed before the shareholders of the Company at the Annual General Meeting and will also be open for inspection by the Members.

7. Identity of the proposed Allottee and percentage of post Preferential Issue that may be held by them and change in control, if any, in the Allottee, consequent to the Preferential Issue:

Sr. No	Name of the proposed Allottee	Category	Shareholding of the Allottee Pre Preferential Issue	Number of Warrants proposed to be allotted	Shareholding post conversion of Warrants	% shareholding post conversion of Warrants into Equity Shares
1.	Dipesh S Jain	Promoter	212850	125000	337850	7.74
2.	Suresh V Shah	Promoter	337300	83220	420520	9.64
3.	Pushpa S Jain	Promoter	274500	8500	283000	6.48
4.	Kavita Jain	Promoter	14500	5500	20000	0.46
		Total	839150	222220	1061370	24.32



^ Assuming full conversion of Warrants

^^ Conversion of Warrants shall be in accordance with regulation 3 of the extant Takeover Code, 2011.

There shall be a change in the management control of the Company.

8. Lock-in:

- i) The Equity Shares allotted pursuant to exercise of entitlement attached to Warrants shall be subject to 'lock-in' as per the ICDR Regulations i.e., for a period of three years from the date of allotment of equity shares allotted pursuant to the exercise of the option attached to the warrant.
- ii) The entire pre-preferential allotment shareholding of the Allottees shall be locked in as per the ICDR Regulations.

9. General:

- i) An amount equivalent to 25 per cent of the Issue Price of the Equity Shares shall be payable at the time of subscription of Warrants.
- ii) The Allottee will be entitled to apply for and be allotted, in one or more tranches, 1 (one) Equity Share of Rs. 10 each of the Company per Warrant.
- iii) Upon exercise of the right to subscribe for Equity Shares, the Allottee shall be liable to make the payment of balance sum, being 75 per cent of the Issue Price, towards subscription to each Equity Share, as may be applied.
- iv) In the event of entitlement attached to Warrants to subscribe for Equity Shares is not exercised within the period as mentioned above, the same shall lapse and the amount paid on the Warrants shall stand forfeited.
- v) Upon receipt of the payment as above, the Board (or a Committee thereof) shall allot one Equity Share per warrant by appropriating Rs. 10 towards Equity Share capital and the balance amount paid against each warrant, towards the securities premium.
- vi) The Allottee shall also be entitled to any future issue of bonus / rights, if any, of Equity Shares or warrants convertible into Equity Shares or such other securities by the Company, in the same proportion and manner as any other shareholders of the Company for the time being and the Company shall reserve proportion of such entitlement for the Allottee.
- vii) The warrant by itself does not give to the holder(s) thereof any rights of the shareholders of the Company.
- viii) The Equity Shares to be issued and allotted by the Company on exercise of the Warrants in the manner aforesaid shall be in dematerialised form and subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the then existing Equity Shares of the Company and be listed on stock exchange where the Equity Shares of the Company are listed.

10. Undertaking by the Company:

The Company undertakes that if required, the price shall be recomputed in terms of the provision of the ICDR Regulations. If the amount payable upon the re-computation is not paid within the stipulated time as mentioned in the ICDR Regulations, the specified securities shall continue to be locked in till such amount is paid by the allottee.

The Board at its meeting held on August 29, 2018, has approved the Preferential Issue of Warrants on preferential basis in the manner stated hereinabove.

Pursuant to the provisions of Sections 42 and 62 of the Companies Act, 2013 and Regulation 72(1)(a) of the ICDR Regulations, the above Preferential Issue requires approval of its shareholders by way of a Special Resolution. The Board, therefore, recommends the above mentioned resolution to be passed as a Special Resolution.

All the Promoter and Promoter Group of the Company may be deemed to be concerned or interested in the proposed Resolution to the extent of their shareholding. Save and except the above, none of the other Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution.

**Information on Director recommended for Appointment/Reappointment****PUSHPA S JAIN (DIN: 06939054)**

Mrs. Pushpa S Jain (60) 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
DIN	06939054
Nationality	Indian
Relationship with Other Director	Wife of Mr.Suresh Shah
Date of Appointment on Board	10.09.2014
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 Directors are pleased to present the Twenty Fifth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2018.

FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March 2018 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 31.03.2018 (Rs. in Lakhs)	Year ended 31.03.2017 (Rs. in Lakhs)
Revenue from operations	11,707.14	6,607.34
Other income	71.58	68.50
Total Expenses	9,471.97	6,206.10
Cost of Material Consumed	7,845.87	4,413.03
Depreciation and amortization expenses	84.63	63.47
Finance Cost	145.13	186.06
Other Expenses	837.65	650.71
Profit / Loss Before tax	2,306.75	469.74
Current tax	788.73	166.45
Profit / Loss After tax	1,518.03	303.29
Earnings per share		
Basic & Diluted	36.65	7.32
Your Directors recommend the following appropriations:-		
Proposed Dividend	-	62.13
Dividend Distribution Tax	-	12.65
Transfer to general Reserve	-	-

FINANCIAL PERFORMANCE

The Gross Revenue from operations for FY 2018 was at Rs.11,707.14 Lakhs/- (Previous Year Rs.6,607.34 Lakhs/-), registering a growth of 44%. The Profit after tax stood at Rs.1518.02 Lakhs/- (Previous Year Rs.303.29 Lakhs/-).

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is annexed as Annexure -1 to this Report.

DIVIDEND AND TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) & (k) OF THE COMPANIES ACT, 2013

Your Directors recommend a dividend of 20 % (Twenty percent) i.e. Rs.2.00/- per equity share of face value of Rs.10/- each (Previous Year 15%). Payment of Dividend is subject to the approval of Shareholders at the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2018 and of the profit of the Company for the year ended on that date;
- 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;
- 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.

SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2018 stood at Rs.4,14,22,000/-. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2018, none of the Directors of the company hold instruments convertible into equity shares of the Company

INFORMATION ABOUT HOLDING / SUBSIDIARY/ JV/ ASSOCIATE COMPANY

The Company does not have any Holding, Subsidiary, Joint venture or Associate Company.

DIRECTORS

The Board of Directors of the company comprises of One Managing Director, Two Whole-time Directors who are the Promoters of the company and Four Non-Executive Directors, including Three Independent Directors. The Company also has One Women Director who is Non Executive. The composition of the Board of Directors is in compliance with Section 149 of the Companies Act, 2013.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mrs. Pushpa S Jain (DIN:06939054), Non Executive Director retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers herself for re-appointment. The Board recommends her reappointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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.

KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company:

- a) Mr. Suresh Shah (DIN: 01659809) Managing Director
- b) Mr. Dipesh S Jain (DIN: 01659930), Whole Time Director
- c) Mr. Arun V Shah (DIN: 01744884), Whole Time Director
- d) Mr. K. C. Radhakrishnan, Chief Financial Officer
- e) Ms. A.Priyanka, Company Secretary

COMMITTEES OF THE BOARD

The Board of Directors has the following Committees:

- 1. Audit Committee
- 2. Nomination and Remuneration Committee
- 3. Stakeholders' Relationship Committee
- 4. CSR Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

AUDITORS**(a) STATUTORY AUDITOR**

Pursuant to the Provisions of Sections 139, 141 & 142 of the Companies Act, 2013 ("the Act"), the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), Schedules attached thereto, (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof, for the time being in force), pursuant to the recommendation of Audit Committee of the Company and that of the Board and pursuant to the approval of Members at the Twenty fourth Annual General Meeting held on September 28, 2017, consent of the Members of the Company is be and hereby accorded to appoint M/s. P. Chandrasekar, LLP, Chartered Accountants, Bangalore (Firm Registration Number: 000580S/S200066) as Statutory Auditors of the Company, to hold office as Statutory Auditors from the conclusion of Twenty fourth Annual General Meeting till the conclusion of Twenty ninth Annual General Meeting.

There is no audit qualification for the year under review.

**(b) COST AUDITOR**

The Company's products come under Table B (Non Regulated Sector) Companies (Cost Records and Audit) Rules 2014. As per Rule 4 Companies (Cost Records and Audit) Rules 2014, Every Company specified in Table B of the Cost Audit would be applicable if the overall turnover of the Company from all its products and services during the immediately preceding financial year is Rs.100 Crores or more and the aggregate turnover of the individual product(s) or Service(s) for which cost records are required to be maintained under Rule 3 is Rs. 35 Crores or more.

Hence, M/s. N. Sivashankaran & Co., Cost Accountants, appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the FY 2017-18.

(c) SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s. P. Sriram & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as Annexure-2 to this Report.

There is no secretarial audit qualification for the year under review.

(d) INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s. R. Subramanian and Co., LLP, Chartered Accountants to undertake the Internal Audit of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company has not given any loan or made any investment or given a guarantee or provided any security in accordance with Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All transactions entered with Related Parties for the year under review were on arm's length basis

All related party transactions are placed before the Audit Committee for approval. Details of the transactions are provided in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is appended as Annexure-3 to this Report.

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 (31st March 2018) and the date of the report.

CORPORATE SOCIAL RESPONSIBILITY

The Company does meet the provisions laid down in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 hence the Company has constituted a Corporate Social Responsibility Committee.

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

Your Company has internal control system which includes financial control commensurate with the size, scale and complexity of company's operations and also ensures that the Company's assets are well protected. The internal audit evaluates the efficacy and adequacy of internal control system in the Company, its compliance with accounting procedures and policies of the Company. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

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. As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances. Your company hereby affirms that no complaints were received during the year.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Independent Directors was completed. The performance evaluation of the Managing Director and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The criteria for performance evaluation have been detailed in the Corporate Governance Report.

**REMUNERATION AND NOMINATION POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are explained in the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms a part of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure-4 and forms a part of this Report

RISK MANAGEMENT

Your Company as part of Standard Operating System and Procedure institutionalized risk management covering risk identification, mitigation and management measures. This Risk Charter and Policy have been brought to practice as per part of internal control systems and procedures. The Management has applied the risk management policy to activities and processes of the business and this is reviewed to ensure that executive management manages risk through means of a properly defined framework.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT : NIL

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has zero tolerance for sexual harassment at workplace and has adopted a policy and implemented an effective mechanism for the prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at the workplace with a mechanism of lodging complaints. During the year under review, no complaints were received by the Board.

PARTICULARS OF EMPLOYEES

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 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 is annexed as Annexure-5 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 & on Behalf of the Board
For KANCHI KARPOORAM LIMITED

Place: Chennai
Date: 14.08.2018

Dipesh S Jain
(DIN: 01659930)
Whole-time Director

Suresh V Shah
(DIN: 01659809)
Managing Director



FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2018

[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 :

i)	CIN	L30006TN1992PLC022109
ii)	Registration Date	31/01/1992
iii)	Name of the Company	KANCHI KARPOORAM LIMITED
iv)	Category/Sub-Category of the Company	Company limited by Shares, Non Government Company, Public
v)	Address of the Registered office and contact details	Parandur Road, Enathur Village, Karapettai Post, Kanchipuram, 631552, Tamilnadu, India Tel: 044-27294904/27294930
vi)	Whether listed company Yes/No	Yes
vii)	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 002Tel: 044-28460390/91/92.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name/Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Camphor and Allied Products	20119	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate/ Joint Venture
NIL			


IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	15,86,250	1,39,650	17,25,900	41.67%	15,86,250	1,39,650	17,25,900	41.67%	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)	15,86,250	1,39,650	17,25,900	41.67%	15,86,250	1,39,650	17,25,900	41.67%	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) Bank / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Any other (Specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A) shareholding of Promoter (A)=(A)(1)+(A)(2)	15,86,250	1,39,650	17,25,900	41.67%	15,86,250	1,39,650	17,25,900	41.67%	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	67,210	1,22,700	1,89,910	4.58%	39,115	1,22,700	1,61,815	3.91%	0.67%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4,86,052	10,47,150	15,33,202	37.01%	7,06,223	8,16,950	15,23,173	36.77%	0.24%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2,12,462	1,75,900	3,88,362	9.37%	2,94,524	1,41,400	4,35,924	10.52%	1.15%
c) Others (specify)									
Non Resident Indians	18300	186200	204500	4.94%	20,125	1,41,300	1,61,425	3.90%	1.04%
HUF	64925	-	64925	1.57%	87,249	500	87,749	2.12%	0.55%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	201	-	201	0.07%	11,013	-	11,013	0.27	0.2
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – DR	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	8,79,150	15,31,950	23,81,100	57.54%	11,58,249	12,22,850	23,81,099	57.49%	3.85
Total Public Shareholding (B)=(B)(1)+ (B)(2)	8,79,150	15,67,150	24,16,300	58.39%	11,58,249	12,58,050	24,16,300	58.34%	3.85
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	0.00%	-	-	-	0.00%	-
Grand Total (A+B+C)	24,65,400	17,06,800	401,42,200	100.00%	27,44,499	13,97,700	41,42,200	100.00%	3.85



(ii) Shareholding of Promoter

Sl.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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 V Shah	337300	8.14%	0.00%	337300	8.14%	0.00%	0.00%
2	Shanta V Jain	107600	2.60%	0.00%	107600	2.60%	0.00%	0.00%
3	Veerchand D Shah HUF	31950	0.77%	0.00%	31950	0.77%	0.00%	0.00%
4	V.M.Goal	136500	3.30%	0.00%	136500	3.30%	0.00%	0.00%
5	Pushpa S Jain	274500	6.63%	0.00%	274500	6.63%	0.00%	0.00%
6	Kavita Jain	14500	0.35%	0.00%	14500	0.35%	0.00%	0.00%
7	Varshaa Goal	318400	7.69%	0.00%	318400	7.69%	0.00%	0.00%
8	Arun V Shah	38500	0.93%	0.00%	38500	0.93%	0.00%	0.00%
9	Jitendra V Shah	38000	0.92%	0.00%	38000	0.92%	0.00%	0.00%
10	Lata A Shah	89500	2.16%	0.00%	89500	2.16%	0.00%	0.00%
11	Madhu J Shah	66000	1.59%	0.00%	66000	1.59%	0.00%	0.00%
12	Dipesh Suresh Jain	212850	5.14%	0.00%	212850	5.14%	0.00%	0.00%
13	Soniya.A	30000	0.72%	0.00%	30000	0.72%	0.00%	0.00%
14	K.C Radhakrishnan	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	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	There is no change in Promoters' Shareholding between 01.04.2017 to 31.03.2018			
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year				
3	At the End of the year				



I) Shareholding Pattern of top ten Shareholders							
(other than Directors, Promoters and Holders of GDRs and ADRs):							
Sl.No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning (01.04.2017)/ end(31.03.2018) of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	BETALA GLOBAL SECURITIES LIMITED						
	At the beginning of the year			90,000	2.17%	90,000	2.17%
	Changes during the year			-	-	-	0.00%
	At the end of the year			90,000	2.17%	90,000	2.17%
2	SHASHI GUPTA**						
	At the beginning of the year						
	Changes during the year						
		19.01.2018	Purchase	5000	0.12%	5000	0.12%
		25.01.2018	Purchase	9100	0.22%	9100	0.22%
		02.02.2018	Purchase	24900	0.60%	24900	0.60%
		16.02.2018	Purchase	1000	0.02%	1000	0.02%
		23.02.2018	Purchase	7700	0.19%	7700	0.19%
	At the end of the year			47700	1.15%	47700	1.15%
3	SURENDRA KUMAR SHAH						
	At the beginning of the year			53,915	1.30%	53,915	1.30%
	Changes during the year						
		09.06.2017	Purchase	3500	0.08%	3500	0.08%
		23.06.2017	Purchase	50	0.001%	50	0.001%
		14.07.2017	Purchase	500	0.012%	500	0.012%
		25.08.2017	Purchase	200	0.005%	200	0.005%
		01.09.2017	Purchase	2245	0.05%	2245	0.05%
		15.09.2017	Purchase	557	0.01%	557	0.01%
		20.09.2017	Sale	-3000	0.07%	-3000	0.07%
		29.09.2017	Sale	-3545	0.09%	-3545	0.09%
		06.10.2017	Sale	-50	0.001%	-50	0.001%
		17.11.2017	Purchase	1300	0.03%	1300	0.03%
		15.12.2017	Sale	-362	0.009%	-362	0.009%
		22.12.2017	Purchase	62	0.0014%	62	0.0014%
		12.01.2018	Sale	-1000	0.02%	-1000	0.02%
		02.02.2018	Purchase	889	0.02%	889	0.02%
		09.02.2018	Purchase	1093	0.03%	1093	0.03%
		16.02.2018	Purchase	400	0.0096%	400	0.0096%
		23.02.2018	Sale	-2839	0.07%	-2839	0.07%
	At the end of the year			53,915	1.30%	53,915	1.30%
4	HITESH KUMAR S SHAH						
	At the beginning of the year	-	-	39,200	0.95%	39,200	0.95%
	Changes during the year	-	-				0.00%
	At the end of the year	-	-	39,200	0.95%	39,200	0.95%
5	JITHENDRA KUMAR ROOPCHAND						
	At the beginning of the year			50,600	1.22%	50,600	1.22%
	Changes during the year						
		27.10.2017	Sale	-10600	0.26%	-10600	0.26%
		12.01.2018	Sale	-1110	0.03%	-1110	0.03%
		19.01.2018	Sale	-5890	0.14%	-5890	0.14%
		25.01.2018	Sale	-4252	0.103%	-4252	0.103%
		02.02.2018	Sale	-2500	0.06%	-2500	0.06%
		16.02.2018	Sale	-1248	0.03%	-1248	0.03%
		23.02.2018	Sale	-2342	0.06%	-2342	0.06%
		02.03.2018	Sale	-716	0.02%	-716	0.02%
	At the end of the year			21,942	0.53%	21,942	0.53%



KANCHI KARPOORAM LIMITED

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Sl.No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning (01.04.2016)/ end(31.03.2017) of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
6	RAJANIKANT GOHIL**						
	At the beginning of the year	-	-	-	-	-	0.00%
	Changes during the year	-	-	-	-	-	0.00%
		12.01.2018	Purchase	8596	0.21%	8596	0.21%
		19.01.2018	Purchase	8576	0.207%	8576	0.207%
		25.01.2018	Purchase	6065	0.15%	6065	0.15%
		02.02.2018	Purchase	16	0.0003%	16	0.0003%
		09.02.2018	Purchase	10214	0.25%	10214	0.25%
	At the end of the year			33467	0.81%	33467	0.81%
7	BANK OF INDIA A/C. BOI MUTUAL FUND						
	At the beginning of the year	-	-	33,300	0.81%	33,300	0.81%
	Changes during the year	-	-	-	-	-	0.00%
	At the end of the year	-	-	33,300	0.81%	33,300	0.81%
8	MILAN R.PAREKH						
	At the beginning of the year	-	-	31,800	0.77%	31,800	0.77%
	Changes during the year	-	-	-	-	-	-
	At the end of the year	-	-	31,800	0.77%	31,800	0.77%
9	BLUE CIRCLE SERVICES LTD						
	At the beginning of the year	-	-	31,000	0.75%	31,000	0.75%
	Changes during the year	-	-	-	-	-	-
	At the end of the year	-	-	31,000	0.75%	31,000	0.75%
10	BISWA NATH PATRA						
	At the beginning of the year	-	-	30,000	0.72%	30,000	0.72%
	Changes during the year	-	-	-	-	-	-
	At the end of the year	-	-	30,000	0.72%	30,000	0.72%
11	CHANDINI SHARMA						
	At the beginning of the year	-	-	25,900	0.62%	25,900	0.62%
	Changes during the year	-	-	-	-	-	-
	At the end of the year	-	-	25,900	0.62%	25,900	0.62%
12	JAIKISHAN MIRCHANDANI *						
	At the beginning of the year	-	-	40000	0.97%	40000	0.97%
	Changes during the year	02.02.2018	Sale	-39900	0.96%	39900	0.96%
	At the end of the year	-	-	100	0.002%	100	0.002%

* Ceased to be in the list of Top 10 Shareholders as on 31.03.2018. The same is reflected above since the Shareholder was one of the Top 10 Shareholder as on 01.04.2017

** Not in the list of Top 10 Shareholders as on 01.04.2017. The same has been reflected above since the Shareholder was one of the Top 10 Shareholder as on 31.03.2018.

v) Shareholding of Directors and Key Managerial Personnel:					
Personnel:					
Sl.No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
	Suresh Shah	337300	8.14	337300	8.14
	Dipesh Suresh Jain	212850	5.14	212850	5.14
	Arun V Shah	38500	0.93	38500	0.93
	K. Venkateswaran	0	0.00	0	0.00
	S. Srinivasan	0	0.00	0	0.00
	Narasimhan Raghu	0	0.00	0	0.00
	Pushpa Suresh Jain	274500	6.63	274500	6.63
	K. C. Radhakrishnan	30300	0.73	30300	0.73
	Krithika D Thakkar	0	0	0	0


v) Shareholding of Directors and Key Managerial Personnel:

Personnel:					
Sl.No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
3	At the end of the year				
	Suresh Shah	337300	8.14	337300	8.14
	Dipesh Suresh Jain	212850	5.14	212850	5.14
	Arun V Shah	38500	0.93	38500	0.93
	K. Venkateswaran	0	0.00	0	0.00
	S. Srinivasan	0	0.00	0	0.00
	Narasimhan Raghu	0	0.00	0	0.00
	Pushpa Suresh Jain	274500	6.63	274500	6.63
	K. C. Radhakrishnan	30300	0.73	30300	0.73
	Krithika D Thakkar	0	0	0	0
	A.Priyanka	0	0	0	0

VI. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	146,946,895	20,075,000	-	167,021,895.19
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	146,946,895	20,075,000	-	167,021,895
Change in Indebtedness during the financial year				
* Addition	220,804,172	-	-	220,804,172
* Reduction	145,341,375	12,466,755	-	157,808,130
Net Change	75,462,798	(12,466,755)	-	62,996,042
Indebtedness at the end of the financial year				
i) Principal Amount	222,409,692	7,608,245	-	230,017,937
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	18,081	-	-	18,081
Total (i+ii+iii)	222,427,773	7,608,245	-	230,036,018

VII. 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/WTD/ 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	22,80,000	21,36,000	1680000	6096000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4,04,777	3,83,796	0	788573
	(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
	Employers contribution to PF	21600	21600	21600	64800
	TOTAL (A)	2706377	2541396	1701600	6949373
	Ceiling as per the Act	Rs. 1,51,43,412/- (being 10% of net profits of the Company calculated as per Section 198 of Companies Act, 2013)			



B. Remuneration to other directors:					
SL.No.	Particulars of Remuneration	Name of Directors			Total Amount (RS)
1	Independent Directors	S.Srinivasan	Narasimhan Raghu	K.Venkateswaran	
	Fee for attending board committee meetings	75,000	75,000	75,000	2,25,000
	Commission				-
	Others, please specify				-
	Total (1)	75,000	75,000	75,000	2,25,000
2	Other Non-Executive Directors	Pushpa S Jain			-
	Fee for attending board committee meetings	15,000			15,000
	Commission				-
	Others, please specify				-
	Total (2)	15,000	-	-	15,000
	Total (B)=(1+2)	90,000	75,000	75,000	2,40,000
	Total Managerial Remuneration				2,40,000
	Overall Ceiling as per the Act	Rs. 15,14,341/- (being 10% of net profits of the Company calculated as per Section 198 of Companies Act, 2013)			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD					
SL.No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (RS)
		CFO	Company Secretary	Company Secretary	
	Designation	K.C.Radhakrishnan	Krithika D Thakkar	A.Priyanka	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,00,000	5,06,487	45,000	2651487
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,36,000			3,36,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock				
	Option				
3	Sweat				
	Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify	-	-	-	
	Employers contribution to PF	21,600	21600	1800	45000
	Total	24,57,600	528087	46800	2696487

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

---NIL---

**ANNEXURE 2****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31st MARCH 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Kanchi Karpooram Limited
CIN L30006TN1992PLC022109
Parandur RD, Karaipettai Post,
Kanchipuram TK-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 our opinion thereon.

Based on my verification of Company's books, papers, minute books, forms, statutory registers 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 31st March, 2018, 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 31st March, 2018 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) 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;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- 6) Other Laws applicable to the Company
 - a) Factories Act, 1948.
 - b) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2003.
 - c) Air (Prevention and control of pollution) Act, 1981 as amended in 1987 (Central Act 14 of 1981)
 - d) Water, (Prevention and control of pollution) Act, 1974 as amended in 1988 (Central Act 6 of 1974)



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except for transfer of shares to IEPF within the due date as prescribed under the Act. However as on the date of this Certificate the Company, had duly transferred the said shares to IEPF Account.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. There were no changes in the composition of the Board of Directors that took place during the period under review.

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 were carried out with unanimous approval of the Board and there was no instance of dissent voting by any member during the period under review.

I have examined the systems and processes of the Company in place to ensure the compliance with general laws like Labour Laws, Employees Provident Funds Act, Employees State Insurance Act, considering and relying upon representations made by the Company and its Officers for systems and mechanisms formed by the Company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the Company and its observance by them.

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 other applicable laws on the operation of the Company and the rules made thereunder.

I further report that

during the audit period, there were no specific events / actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.,

Place: Chennai

Date : 31.07.2018(P.Sriram)

Signature

P. Sriram & Associates

FCS No. 4862/C P No: 3310

This Report is to be read with my testimony of even date which is annexed as Annexure A and forms an integral part of this report.



" Annexure A"

To
The Members of
Kanchi Karpooram Limited
Parandur Road, Enathur Village,
Karaipettai Post, Kanchipuram-631552,
Tamilnadu, India

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

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, the company had 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. Wherever 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 : 31.07.2018(P.Sriram)

Signature
P. Sriram & Associates
FCS No. 4862/C P No: 3310



ANNEXURE 3

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	Rahul Industries
2	Nature of relationship	Director have significant influence	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	Sale of Camphor, Gum Rosin, Turpentine and its derivatives
4	Duration of the contracts / arrangements/transaction	01.04.2017 - 31.03.2018	01.04.2017 - 31.03.2018	01.04.2017 - 31.03.2018
5	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Goods Rs.1,35,90,094 /-	Sale of Goods NIL	Sale of Goods NIL
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	Transactions in ordinary course of business and on Arm's Length Basis
7	Date of approval by the Board	14.08.2018	14.08.2018	14.08.2018
8	Amount paid as advances, if any	NIL	NIL	NIL



ANNEXURE 4

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

	01.04.2017 to 31.03.2018	01.04.2016 to 31.03.2017
A. Power and Fuel Consumption		
Electricity		
a. Purchase :		
Unit	14,56,852	12,01,600
Total Amount (Rs)	1,11,69,428	93,79,583
Rate/Unit (Rs)	7.67	7.81
b. Own Generation		
(i) Through Diesel Generator :		
Unit	34,047	37,376
Unit per lit of diesel oil	0.32	0.32
Cost / Unit	19.26	18.19
(ii) Through Steam Turbine / Generator	NA	NA
Unit		
Cost / Unit		
2 Cost / Unit		
Coal (Specify quality and where used)	NA	NA
3 Unit / Cost		
Furnace Oil :		
Quantity (M.T.)	5,200	30.33
Total Amount	1,41,492	7,40,054
Average rate (Rate per MT)	27,210	24,400
4 Others / Internal Generation	NA	NA
Quantity		
Total cost		
Rate / Unit		

Foreign Exchange Earnings & Outgo

Your company has also earned foreign exchange of Rs.207.15 Lakhs through exports. The total Foreign Exchange utilized by the company during the year for the purchase of Raw Materials and others was Rs. 7393.83Lakhs.

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

Place : Chennai
Date : 14.08.2018

Dinesh S. Jain
DIN:01659930
Whole-time Director

Suresh Shah
DIN:01659809
Managing Director



Annexure-5

DISCLOSURE IN DIRECTORS' REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

Sl.No.	Name	Designation	Ratio
1	SURESH SHAH	MANAGING DIRECTOR	11.95
2	DIPESH S JAIN	WHOLE-TIME DIRECTOR	11.22
3	ARUN V SHAH	WHOLE-TIME DIRECTOR	7.52

2. The percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary in the financial year

Sl.No.	Name	Designation	%
1	Suresh Shah	Managing Director	28.99
2	Dipesh S Jain	Whole-time Director	29.63
3	Arun V Shah	Whole-time Director	54.46
4	Radhakrishnan Chandrasekaran	Chief Financial Officer	28.36
5	Krithika D Thakkar	Company Secretary	32.25

3. The percentage increase in the median remuneration of employees in the financial year: 9.29%

4. The number of permanent employees on the rolls of company: 53

5.

Sl.No.	Name	Designation	CTC*	% of increase in CTC	Profit After Tax (PAT)	% increase in PAT
1	SURESH SHAH	MANAGING DIRECTOR	27,06,377	28.99	Rs. 465.45	53%
2	DIPESH S JAIN	WHOLE-TIME DIRECTOR	25,41,396	29.63		
3	ARUN V SHAH	WHOLE-TIME DIRECTOR	17,01,600	54.46		
4	K.C.RADHAKRISHNAN	CHIEF FINANCIAL OFFICER	24,57,600	28.36		
5	KRITHIKA D THAKKAR	COMPANY SECRETARY	4,64,000	16.20		

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

Particulars	Paid Up Capital	Closing Market price per share	EPS	PE Ratio	Market Capitalisation (Rs)
As on 31.03.2017	4,14,22,000	57.10	7.32	7.78	23,65,19,620
As on 31.03.2018	4,14,22,000	199.97	11.24	17.80	82,83,15,734
Increase / Decrease	-	142.87	3.92	10.02	59,17,96,114
%Increase / Decrease	-	250.39	53.41	128.79	250.21
No. of issue of Share during the year	Nil	Nil	Nil	Nil	Nil

6) 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 8.30% and the average increase in the managerial remuneration is

7) If remuneration is as per the remuneration policy of the company: Yes



CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the compliance with Corporate Governance provisions is not mandatory to the listed entities having paid up equity share capital not exceeding rupees ten crore and networth not exceeding rupees twenty five crore. However the Company is regular in complying with the requirements of Corporate Governance

1. COMPANY'S PHILOSOPHY

The Company's governance philosophy is based on trusteeship, transparency and accountability. 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 behaviour towards everyone we work with. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances. The Company's governance framework is appropriate with composition and size of the Board. The Company always takes into account the interest of stakeholders' before making any business decision.

2. BOARD OF DIRECTORS

All statutory and other significant material information are placed before the Board of Directors to enable it to discharge its responsibility of superintendence, control and direction of management of strategic and day to day affairs of the Company. The Company has a judicious combination of Executive and Non- Executive Directors. as on March 31, 2018, the Board comprised of 7 Directors out of which three are Executive Directors, three are Independent Directors and one is Non-Executive Director. The Chairman of the Board is an Executive Director. Board of Directors meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. 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 out side Board Committee Memberships
		Held	Attended			
Suresh Shah	Managing Director, Executive	9	6	Yes	NIL	NIL
Dipesh S Jain	Whole-Time Director, Executive	9	9	Yes	NIL	NIL
Arun V Shah	Whole-Time Director, Executive	9	9	Yes	NIL	NIL
S. Srinivasan	Director, Independent	9	9	Yes	NIL	NIL
Narasimhan Raghu	Director, Independent	9	9	Yes	NIL	NIL
K. Venkateswaran	Director, Independent	9	9	Yes	NIL	NIL
Pushpa S Jain	Director, Non-Executive	9	6	Yes	NIL	NIL

3. BOARD MEETINGS AND BOARD COMMITTEE MEETINGS

The Meetings of the Board are regularly held at the Chennai Office. There is constant endeavor to improve the practices with regard to the Board Meetings. The agenda and the relevant papers are circulated in advance to facilitate the members of the Board to take informed decisions and discharge their responsibility effectively. The Board of Directors has constituted four committees, namely Audit Committee, Stakeholder's Relationship Committee, CSR Committee, Nomination and Remuneration 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, Kilpauk, Chennai - 600 010.

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.	01.04.2017	7	7
2.	29.05.2017	7	5
3.	31.08.2017	7	5
4.	14.09.2017	7	5
5.	01.10.2017	7	7
6.	14.12.2017	7	7
7.	14.02.2018	7	7
8.	08.03.2018	7	7
9.	16.03.2018	7	7

Add - 1. No. of Shares & Convertible instruments held by the non-executive directors: Pushpa S Jain - 2,74,500

- During the year, the independent Directors of the Company, without the presence of Non-Independent Directors and Management team met on 31.03.2018, to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timelines of flow of information between the management and the Board. Mr. Srinivasan Chairman of the meeting presented the views of the Independent Directors on matters relating to Board Processes and views to the full Board.

For the Independent Directors

The Details of familiarization programme done for the financial year 2017-18 have been hosted in the website of the Company under the Web link <http://www.kanchikarpooram.com/investor.html>.

BOARD COMMITTEES:

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Board currently has the following Committees:

A) AUDIT COMMITTEE

Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. All the members of the Audit Committee are financially literate and have adequate accounting and financial experience. The Committee reviews the financial statements before submission to the board, recommends appointment or removal of Auditors and other areas which are in line with the regulatory requirements.

The Audit Committee of the Company comprises of three Independent Directors. The Audit Committee met four times during the financial year 2017 – 2018 i.e. on 29.05.2017, 14.09.2017, 14.12.2017 and 14.02.2018. 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



Terms of Reference

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Internal Audit Reports and significant related party transactions. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism and reviews the findings of investigation into cases of material nature and the actions taken in respect thereof.

B) STAKE HOLDERS' RELATIONSHIP COMMITTEE

The Stake Holders' Relationship Committee of the Company comprises of three Independent Directors. The Committee met seventeen times during the financial year 2017 – 2018. 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	17	17
2	Na Raghu	Member	17	17
3	K. Venkateswaran	Member	17	17

Terms of Reference

The Committee looks into the matters of Shareholders/ Investors grievances overseas and reviews all matters connected with the transfer of the Company's Securities, approves issue of duplicate share certificates, etc. The Committee reviews and redresses all investors' grievances and complaints in general including non-receipt of dividend, non-receipt of Annual Report, change of address, etc and performs such other functions as may be necessary. SEBI SCORES Complaints Status as on March 31, 2018.

Investor Complaints	ended 31.03.2018
	(No's)
Pending at the beginning of the quarter	Nil
Received during the quarter	3
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	2

There are no complaints as on date of Report.

C) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company comprises of three Independent Directors. The Committee did not meet during the financial year 2017 – 2018. 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	0	0
2	S. Srinivasan	Member	0	0
3	K. Venkateswaran	Member	0	0

**Terms of Reference**

The Committee was constituted to determine and recommend payment of remuneration to executive directors. The committee shall also identify the persons, reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board of Directors), 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) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee of the Company comprises of three Directors out of which one is an Independent Director. Composition of the Committee:

Sl.No.	Name of the Director	Position
1	Suresh Shah	Chairman
2	Dipesh S Jain	Member
3	Na Raghu	Member

Terms of Reference

(i) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII; (ii) Recommend the amount of expenditure to be incurred on the activities referred to in point (i) above; (iii) Monitor the Corporate Social Responsibility Policy of the Company from time to time. (iv) To formulate policies and procedures based on the requirements of SEBI. (v) To ensure effective communication of all the policies to all relevant stakeholders.

REMUNERATION POLICY**A. Remuneration to Non-Executive Directors**

The Non-Executive Directors are paid by way of Sitting Fees. The Non-Executive Directors are paid sitting fees for each Meeting of the Board or Committee of Directors attended by them. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company.

B. Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman and Managing Director and Whole-time Director is governed by the recommendation of the Remuneration & Nomination Committee. The remuneration package of Chairman and Managing Director and Whole-time Director comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Remuneration and Nomination Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. Presently, the Company does not have a stock options scheme for its Directors.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

4. REMUNERATION OF DIRECTORS**EXECUTIVE DIRECTOR:**

The Company has three Executive Directors. The details of remuneration paid to the Executive Directors during the year 2017 – 2018 as under:



Sl.No.	Name	Designation	Salary	Perquisites	Total
1	Suresh Shah	Managing Director	22,80,000	4,04,777	27,06,377
2	Dipesh S Jain	Whole-Time Director	21,36,000	3,83,796	25,41,396
3	Arun V Shah	Whole-Time Director	16,80,000	0	17,01,600

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	Designation	Sitting Fees paid for the year (In Rs.)
1	S. Srinivasan	Independent Director	55,000
2	Na Raghu	Independent Director	55,000
3	K. Venkateswaran	Independent Director	55,000
4	Pushpa S Jain	Non-Executive (Women) Director	15,000

5. DETAILS OF SHAREHOLDING OF DIRECTORS AS ON 31st MARCH 2017:

Sl.No.	Name of the Director	No. of Shares
1	Suresh Shah	3,37,300
2	Dipesh S Jain	2,12,850
3	Arun V Shah	38,500
4	S. Srinivasan	Nil
5	Narasimhan Raghu	Nil
6	K. Vekateswaran	Nil
7	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
2014 – 2015	11.09.2015	11.00AM	MM. Hotels, No.65/66, Nellukara Street, Kanchipuram - 631 052
2015 – 2016	07.09.2016	11.00AM	MM. Hotels, No.65/66, Nellukara Street, Kanchipuram - 631 052
2016 – 2017	28.09.2017	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 to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations. 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 behaviour, 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 Non-Independent Directors) was held on 31/03/2018 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

The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.

Quarterly Results: The Company's quarterly results after the Board's approval are promptly sent to the Stock Exchange in the prescribed format as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These are published in English language "Trinity Mirror" and in Vernacular language (Tamil) in "Makkalkural" and are displayed on the Company's website (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) contains a separate dedicated section where shareholders information is available.

11. DISCLOSURES

Related Party Transactions: 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. 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: Your 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 have adopted a Code of Conduct for Directors and Senior Management for conducting the business of the of the Company in accordance with applicable laws, rules, regulations and highest standards of business ethics, to detect and prevent unethical conduct of business and the same is posted on the Website of the Company.

CEO and CFO Certification: The CEO and CFO certification of the Financial Statements for the year 2017 – 2018 is enclosed at the end of this report. The Company has complied will all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annual General Meeting (Date and Time)	27th September 2018, 11.00AM
Venue	MM. Hotels, No.65/66, Nellukara Street, Kanchipuram - 631 052
Financial Year	1st April to 31st March
Book Closure Date	21st September to 27th September 2018 (both days inclusive)
Date of Payment of Dividend	Between 27th September, 2018 to 25th October 2018
Rate of Dividend	20% (Rs.2.00/-per share)
Listing of Equity Shares	Bombay Stock Exchange(BSE) Limited
	PhirozeJeejeebhoy Towers, Dalal Street, Mumbai-400001
Listing Fee	Annual Listing Fees Paid to Stock Exchange for the Financial Year 2017-2018
BSE Stock Code	538896
ISIN	INE081G01019
Corporate Identification Number (CIN)	L30006TN1992PLC022109
Details of Plant Locations & Address for	a.ParandurRoad,EnathurVillage,Karaipettai Post, Kanchipuram-631552
Correspondence	b. No.1,Barnaby Avenue, Barnaby Road Kilapuk,Chennai-600100


FINANCIAL CALENDAR (Tentative)

30th June 2018	2nd / 3rd Week of August 2018
30th September 2018	2nd / 3rd Week of November 2018
31st December 2018	2nd / 3rd Week of February 2019
31st March 2019	End of May 2019

13. PAYMENT OF LISTING FEE

The Company's Securities are listed with BSE Ltd. Annual Listing Fees for the year 2017 – 2018 has been paid by the Company to BSE.

14. STOCK MARKET PRICE DATA

Month	BSE		Volume (No. of Shares)
	High (in Rs.)	Low(in (Rs.))	
April - 2017	73.00	59.95	1,14,529
May - 2017	73.00	58.40	57,070
June - 2017	64.85	55.60	49,646
July - 2017	63.75	54.75	37,385
August - 2017	59.60	46.65	35,233
September - 2017	98.70	55.05	1,49,001
October - 2017	158.95	99.95	1,72,416
November - 2017	158.95	99.95	83,010
December - 2017	173.70	127.20	72,922
January - 2018	259.55	182.35	2,83,954
February - 2018	259.55	215.05	2,15,080
March - 2018	257.00	193.00	89,115

15. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH 2018

Sl.No.	Holding	No. of Share holders		No. of Shares	
		Number	% of Total	Shares	% of Total
1	1 - 1000	2125	52.15	1717990	4.15
2	1001 - 5000	1357	33.3	3562770	8.6
3	5001 - 10000	260	6.38	2260850	5.46
4	10001 - 20000	118	2.9	1856030	4.48
5	20001 - 30000	71	1.74	1857800	4.49
6	30001 - 40000	27	0.66	1004950	2.43
7	40001 - 50000	32	0.79	1561750	3.77
8	50001 - 100000	44	1.08	3376350	8.15
9	100001 and Above	41	1.01	24223510	58.48
	TOTAL	4075	100	41422000	100

16. CATEGORY WISE SHAREHOLDING PATTERN AS ON 31st MARCH 2018

Sl.No.	Category	No. of Shares	% of Holding
1	Resident	2046847	49.41
2	NRI	161425	3.90
3	Corporate Body	161815	3.91
4	Clearing Member	11013	0.27
5	Mutual Funds	35200	0.85
6	Promoters	1725900	41.67
	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.

Sl.No.	Particulars	No. of Shares	Percentage
1	CDSL	2086365	50
2	NSDL	658135	16
3	Physical	1397700	34
	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 15days 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.

Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the Bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through ECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

Service of documents through electronic mode

As a part of Green Initiatives, the members are requested to go for green initiative and thus, who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's Registrar and Share Transfer Agent, Cameo Corporate Services Ltd; to its dedicated e-mail id i.e., investor@cameoindia.com

20. DIVIDEND DECLARED FOR LAST 10 YEARS

Sl.No.	Financial Year	Dividend Per Share
1	2007 - 2008	-
2	2008 - 2009	-
3	2009 - 2010	-
4	2010 - 2011	1.0/-
5	2011 - 2012	-
6	2012 - 2013	1.5/-
7	2013 - 2014	1.5/-
8	2014 - 2015	0.5/-
9	2015 - 2016	1.5/-
10	2017 - 2018	1.5/-

**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). Members who have not so far encashed their dividend warrant(s) are requested to seek revalidation of dividend warrants by writing to the Company immediately.

22. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

Accordingly, the Company has transferred the unclaimed and unpaid dividends of Rs. 367,951.00. Further, 190,950 shares were transferred as the per requirements.

Access Link to claim refund from IEPF Authority (to be used by shareholders/claimants whose shares and/or dividend/other amounts have been transferred by the Company to Investor Education and Protection Fund)
<http://www.iepf.gov.in/IEPFA/refund.html>

23. SEBI COMPLIANTS 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 has been received through SCORES during the year.

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 2017-2018.

25. CODE FOR PREVENTION OF INSIDER TRADING

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the company has instituted a Code of Conduct to regulate, monitor and report trading by its employees and other connected persons for prohibition of insider trading in the Company's shares. The code endeavors to preserve the confidentiality on unpublished price sensitive information and to prevent the misuse of such information. The policy is also posted on the website of the Company.

25. COMPLIANCE OFFICER DETAILS AND ADDRESS FOR CORRESPONDANCE

Ms. A.Priyanka

Company Secretary

Correspondence Address: No.1, Barnaby Avenue, Barnaby Road, Kilpauk, Chennai – 600 010, Phone No. 044-26401914/15/16/17, email: secretarial@kanchikarpooram.com

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

Place : Chennai

Date : 14.08.2018

For & on Behalf of the Board
For KANCHI KARPOORAM LIMITED

Dipesh S Jain
(DIN: 01659930)
Whole-time Director

Suresh V Shah
(DIN: 01659809)
Managing Director

**CEO / CFO CERTIFICATION**

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of KANCHI KARPOORAM LIMITED ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief, we state that:
 - 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.
- b. We further state that 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.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For KANCHI KARPOORAM LIMITED

Place: Kanchipuram

Date : 14.08.2018

Suresh Shah
(DIN:01659809)
Managing Director

K. C. Radhakrishnan
Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Kanchi Karpooram Limited

Report on the compliance of conditions of Corporate Governance

1. We have examined the compliance of conditions of Corporate Governance by Kanchi Karpooram Limited, ("the Company"), for the year ended 31st March 2018, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations"].

Management's Responsibility for the compliance

2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management.

Auditors' Responsibility

3. Our responsibility was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR) Regulations.
5. We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For P.CHANDRASEKAR, LLP
CHARTERED ACCOUNTANTS
(Firm Regn. No.000580S/S200066)

Place: Chennai
Date: 16th May 2018

S.SRIRAM
Partner
Membership No. 205496



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We, the Board of Directors, present its analysis covering performance of the Company for the year 2017 - 2018 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.

Industry structure and developments

The Camphor industry is sustaining its growth and is expected to continue in the same pattern. The positive outlook is the increase in demand for Camphor. Your Company's geographical location is a positive factor in the Camphor market. In today's competitive operation the focus need to be on reduction of Cost. Therefore by exercising the degree of attention your Company has bettered in the year under review and look forward for the same in the forthcoming years.

Opportunities and Threats

Your Company is experiencing a potential growth in sales in the past due to the factors that location of the plant and quality of the product. This is expected to continue in the forthcoming years.

Since the main raw material required is imported, the price factor and the exchange variation may have adverse effect. However, the Company prices its products with due consideration of both the factors.

Product -wise Performance

The main product, namely Camphor is having a progressive sales year after year so as other by-products.

Outlook

Your Company has a substantial growth potential in terms of marketing of its products which has been so far progressive in the past and the Company looks forward for the same in the years to come.

Risks and Concerns

General risks:

The Foreign Exchange fluctuations may have adverse effects due as your Company imports huge raw materials.

Operational risks:

Price of the main raw material may have an adverse effect if the demand and supply gap is widen.

Financial risks:

Your Company needs to import raw materials at appropriate time, which warrants sizable works capital with a conscious approach to the degree of risk in terms of procurement of raw material keeping in view of the finance available.

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 Systems and their adequacy

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.11778.72 lakhs as compared to 6675.84 lakhs and has profit after tax Rs.1518.03 lakhs as compared to Rs.303.29 lakhs profit in the previous year.

Discussion on financial performance with respect to operational performance

Your Company has increased the volume in sales, hence a better performance compared to the previous year. Your Company exercises stringent cost control factors and quality control measures so as to sustain consistent in performance.



Managerial Developments in Human Resources and Industrial Relation

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

Number of people employed: 53

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 : 14.08.2018

Dipesh S Jain
(DIN: 01659930)
Whole-time Director

Suresh V Shah
(DIN: 01659809)
Managing Director



INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2018

TO
THE MEMBERS OF
KANCHI KARPOORAM LIMITED

Report on the Ind AS Financial Statements

1. We have audited the accompanying Ind AS financial statements of Kanchi Karpooram Limited, ("the Company"), which comprises the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and the Rules made thereunder.
3. 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

4. Our responsibility is to express an opinion on the Ind AS financial statements based on our audit. In conducting 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 thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing as 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 Ind AS financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 Ind AS financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the afore said Ind AS 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 Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Other Matters**

8. The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by another firm of Chartered Accountants and their reports for the year ended 31st March 2017 and 31st March 2016 dated 29th May 2017 and 30th May 2016 respectively, expressing an unmodified opinion on those financial statements and have been restated to comply with Ind AS. Adjustments made to the previously issued said statutory financial information or the differences in the accounting principles adopted by the Company on transition to the Ind AS have been audited by us. Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") and issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
10. As required by Section 143(3) of the Act, we report that:
- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Ind AS financial statements, comply with the Indian Accounting Standards prescribed under Section 133 of the Act and the Rules made thereunder;
 - (e) on the basis of written representations received from the Directors as on 31st March 2018, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2018, from being appointed as a Director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us:
 - i. the Company has no pending litigations as at 31st March 2018 and accordingly, disclosing the impact of pending litigations on its financial position in its financial statements does not arise.
 - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there was no delay in transferring the required amount to the Investor Education and Protection Fund by the Company during the year.

For P. CHANDRASEKAR, LLP
CHARTERED ACCOUNTANTS
(Firm Regn. No. 000580S/S200066)

Place : Chennai
Date : 16th May 2018

S. SRIRAM
Partner
Membership No. 205496



Annexure A to Independent Auditors' Report – 31st March 2018
(Referred to in our report of even date)

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.
- c) The title deeds of immovable properties are held in the name of the Company.
- ii. The Management has conducted physical verification of inventory at reasonable intervals and as per the information made available to us, no material discrepancies were noticed on such verification.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not provided any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. According to the information and explanations provided to us, the Company does not have any loans, investments, guarantees and security which are subject to the provisions of Section 185 and 186 of the Companies Act, 2013. Therefore, provisions of Para 4(iv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- v. The Company has not accepted any deposits from public.
- vi. On the basis of the records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 have been maintained. However, we have not carried out any detailed examination of such records.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - a) the Company has generally been regular in depositing with the appropriate authorities the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess though there has been a slight delay in a few cases. To the best of our knowledge and according to the information and explanations given to us, there were no arrears of outstanding statutory dues as at 31st March 2018 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 on the basis of our examination of the records of the Company, there were no dues of Income Tax or Sales Tax or Customs Duty or Excise Duty or Value Added Tax or Goods and Services Tax, as at 31st March 2018, which have not been deposited on account of any dispute.
- viii. On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year. The term loans availed were applied for the purposes for which they were raised.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the Management, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, managerial remuneration paid or provided has been in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Companies Act, 2013.



- xii. The Company is not a Nidhi Company and hence compliance with the provisions of the Nidhi Rules is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him which will come under the purview of Section 192 of the Companies Act, 2013.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place : Chennai
Date : 16th May 2018

For P.CHANDRASEKAR, LLP
CHARTERED ACCOUNTANTS
(Firm Regn. No.000580S/S200066)

S.SRIRAM
Partner
Membership No. 205496



Annexure - B to the Independent Auditors' Report - 31st March 2018
(Referred to in our report of even date)

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of
Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls with reference to the financial statements of Kanchi Karpooram Limited ("the Company") as of 31st March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were in place and if such controls were operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that



- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

- 8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Chennai
Date : 16th May 2018

For P.CHANDRASEKAR, LLP
CHARTERED ACCOUNTANTS
(Firm Regn. No.000580S/S200066)

S.SRIRAM
Partner
Membership No. 205496



KANCHI KARPOORAM LIMITED
BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note No.	"As at 31 Mar 2018"	"As at 31 Mar 2017"	"As at 1 Apr 2016"
A ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	2a	2,501.59	1,797.95	1,399.79
(b) Capital Work-in progress	2b	77.49	16.04	82.62
(c) Other Intangible assets	2a	0.08	-	-
(d) Financial Assets				
(i) Loans	3	23.92	26.71	16.28
(e) Deferred tax asset	4	-	-	2.16
(f) Other Non-Current Assets	5	11.51	8.12	76.67
Total Non-Current Assets		2,614.60	1,848.82	1,577.52
2 Current Assets				
(a) Inventories	6	2,320.19	1,377.49	957.24
(b) Financial Assets				
(i) Trade Receivables	7	1,039.24	598.46	449.90
(ii) Cash and Cash Equivalents	8	195.25	4.76	3.27
(iii) Bank balances other than (ii) above	9	41.12	188.79	170.99
(v) Other Financial Assets -Advances to employees and others	10	6.74	8.99	4.63
(c) Other Current Assets	11	400.60	307.69	368.89
Total Current Assets		4,003.14	2,486.18	1,954.92
Total Assets [1+2]		6,617.74	4,335.00	3,532.44
B EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity Share Capital	12	414.22	414.22	414.22
(b) Other Equity	13	3,165.90	1,725.17	1,496.70
Total Equity		3,580.12	2,139.39	1,910.92
LIABILITIES				
2 Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	9.48	16.06	14.06
(b) Deferred Tax Liabilities (Net)	4	23.49	34.29	-
Total Non-Current Liabilities		32.97	50.35	14.06
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	2,334.12	1,726.28	1,358.53
(ii) Trade Payables	16	127.89	121.66	104.55
(iii) Other Financial Liabilities	17	50.96	44.15	33.42
(b) Other Current Liabilities	18	57.55	104.23	73.62
(c) Provisions	19	29.73	16.46	20.68
(d) Current Tax Liabilities (Net)	20	404.40	132.48	16.66
Total Current Liabilities		3,004.65	2,145.26	1,607.46
Total Liabilities [2+3]		3,037.62	2,195.61	1,621.52
Total Equity and Liabilities [1+2+3]		6,617.74	4,335.00	3,532.44
Significant accounting policies and notes to financial statements	1 to 38			



KANCHI KARPOORAM LIMITED

An ISO 9001 : 2008 Certified Company
25th Annual Report 2017-2018

As per our Report of even date

For P.Chandrasekar LLP
Chartered Accountants
Firm Regn. No.: 000580S/S200066

S.Sriram
Partner
Membership No.: 205496

Place: Chennai
Date: 16th May 2018

For and on behalf of the Board

Suresh Shah
Managing Director

Arun V Shah
Whole-time Director

K.C.Radhakrishnan
Chief Financial Officer
Date: 4th July 2018

Dipesh S Jain
Whole-time Director

A.Priyanka
Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

PARTICULARS	Note No.	"Year ended 31 Mar 2018"	"Year ended 31 Mar 2017"
I Revenue from operations	21	11,707.14	6,607.34
II Other Income	22	71.58	68.50
III Total Income (I+II)		11,778.72	6,675.84
IV Expenses			
Cost of materials consumed	23	7,845.87	4,413.03
Change in inventories of finished goods, stock-in-trade and work-in-progress	24	(121.60)	(157.02)
Excise Duty		245.02	741.59
Employee benefits expense	25	435.27	308.26
Finance Cost	26	145.13	186.06
Depreciation and amortization expense	2a	84.63	63.47
Other expenses	27	837.65	650.71
Total Expenses (IV)		9,471.97	6,206.10
V Profit / (Loss) before exceptional items and Tax (III-IV)		2,306.75	469.74
VI Exceptional items [Expense/ (income)]		-	-
VII Profit/ (Loss) before tax (V-VI)		2,306.75	469.74
VIII Tax expenses:			
a) Current tax		815.93	130.00
b) Deferred tax		(27.20)	36.45
Total Tax expense for the year		788.73	166.45
IX Profit / (Loss) for the period from continuing operations (VII-VIII)		1,518.02	303.29
X Profit/(Loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(loss) for the period (IX+XII)		1,518.02	303.29
XIV Other Comprehensive Income (OCI)			
A (i) Items that will not be reclassified to profit or loss		(3.65)	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.26	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the year (XIII+XIV)		1,515.63	303.29
XVI Earnings (Rs.) per equity share (for continuing operation)			
(1) Basic	34	36.65	7.32
(2) Diluted	34	36.65	7.32
XVII Earnings (Rs.) per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings (Rs.) per equity share (for discontinued and continuing operations):			
(1) Basic	34	36.65	7.32
(2) Diluted	34	36.65	7.32
Significant accounting policies and notes to financial statements	1 to 38		



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For P.Chandrasekar LLP
Chartered Accountants
Firm Regn. No.: 000580S/S200066

S.Sriram
Partner
Membership No.: 205496

Place: Chennai
Date: 16th May 2018

For and on behalf of the Board

Suresh Shah
Managing Director

Arun V Shah
Whole-time Director

K.C.Radhakrishnan
Chief Financial Officer
Date: 4th July 2018

Dipesh S Jain
Whole-time Director

A.Priyanka
Company Secretary



KANCHI KARPOORAM LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

A Equity Share capital	Rupees in lakh
As at 1st April 2016	414.22
Changes in equity share capital in 2016-17	-
As at 31st March 2017	414.22
Changes in equity share capital in 2017-18	-
As at 31st March 2018	414.22
B Other Equity	(Rupees in lakh)

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained earnings		
Balance as at 1st April 2016	-	210.00	1,286.70	-	1,496.70
Total Comprehensive Income for the year	-		303.29	-	303.29
Dividends transferred to retained earnings	-		(74.82)	-	(74.82)
Balance as at 31st March 2017	-	210.00	1,515.17	-	1,725.17
Total Comprehensive Income for the year	-	-	1,518.02	(2.39)	1,515.63
Dividends transferred to retained earnings	-		(74.90)	-	(74.90)
Balance as at 31st March 2018	-	210.00	2,958.29	(2.39)	3,165.90

Nature and purpose of Reserves

General Reserve:

Part of retained earnings was earlier utilised for declaration of dividends as per the erstwhile Companies Act, 1956. This is available for distribution to shareholders.

Retained Earnings:

Company's cumulative earnings since its formation, minus the dividends/capitalisation and earnings transferred to General Reserve.

As per our Report of even date

For and on behalf of the Board

For P.Chandrasekar LLP
Chartered Accountants
Firm Regn. No.: 000580S/S200066

Suresh Shah
Managing Director

Dipesh S Jain
Whole-time Director

S.Sriram
Partner
Membership No.: 205496

Arun V Shah
Whole-time Director

A.Priyanka
Company Secretary

Place: Chennai
Date: 16th May 2018

K.C.Radhakrishnan
Chief Financial Officer
Date: 4th July 2018



KANCHI KARPOORAM LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Rupees in lakh)

Particulars	" Year ended 31 Mar 2018 "		" Year ended 31 Mar 2017 "	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		2,306.75		469.74
Adjustments for:				
Amortization of financial instruments	2.07		0.25	
Depreciation	84.63		63.47	
Finance cost - Interest	88.16		140.27	
Interest Income	(11.95)		(13.49)	
Exchange gain	(57.43)		(54.97)	
Income from financial instruments remeasured at fair value	(2.21)		(0.04)	
(Profit)/Loss on sale of assets (net)	0.55	103.83	-	135.24
Operating Profit / (Loss) before Working Capital changes		2,410.58		604.98
(Increase) / Decrease in Inventories	(942.71)		(420.24)	
(Increase) / Decrease in trade receivables	(440.79)		(148.56)	
(Increase) / Decrease in Loans and Advances/other non-current assets	(0.60)		58.12	
(Increase) / Decrease in Other current assets	(90.66)		56.84	
Increase / (Decrease) in Other current liabilities and provisions	(155.16)		37.19	
Increase / (Decrease) in Trade and other payables	6.24		17.11	
		(1,623.67)		(399.55)
Cash generation from operations		786.91		205.43
Less: Interest Paid on Working Capital borrowings and bank charges	(88.16)		(140.27)	
Less: Income tax paid	(400.00)		(14.26)	
		(488.16)		(154.53)
Net cash flow from Operating activities (A)		298.75		50.90
B. CASH FLOW FROM INVESTING ACTIVITIES				
Interest received	11.95		13.49	
(Increase) / Decrease in Fixed deposits and dividend accounts	147.67		(17.80)	
Purchase of Fixed Assets/Increase in CWIP	(853.00)		(395.05)	
Sale of Fixed Assets	2.63		-	
Net cash flow from/ (used in) Investing activities (B)		(690.75)		(399.36)
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Increase / (Decrease) on Long term loans from bank	(7.88)		2.05	
Increase / (Decrease) on working capital loans from banks	762.51		227.76	
Increase / (Decrease) on Unsecured demand loans	(154.67)		140.00	
Exchange gain	57.43		54.97	
Dividend and Dividend Distribution tax paid	(74.90)		(74.82)	
Net cash flow from/ (used in) Financing activities (C)		582.49		349.95
Net increase/ (decrease) in cash and cash equivalents (A)+(B)+(C)		190.49		1.49
Cash and Cash equivalents at the beginning of the year		4.76		3.27
Cash and Cash equivalents at the end of the year		195.25		4.76
		190.49		1.49
Note:				
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		194.84		1.99
(ii) Cash on hand		0.41		2.77
		195.25		4.76



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Chartered Accountants
Firm Regn. No.: 000580S/S200066

S.Sriram
Partner
Membership No.: 205496

Place: Chennai
Date: 16th May 2018

For and on behalf of the Board

Suresh Shah
Managing Director

Arun V Shah
Whole-time Director

K.C.Radhakrishnan
Chief Financial Officer
Date: 4th July 2018

Dipesh S Jain
Whole-time Director

A.Priyanka
Company Secretary



(Rs. Lakh)

NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

Note 2:

a) Property, Plant and Equipment

Particulars	Tangible		Intangible									Total
	Freehold land	Buildings	"Plant and machinery"	Electrical installations	Lab equipment	Vehicles	Air conditioners	Office equipment	Computers	Furniture	Software	
Gross block												
As at 01st April 2016-	1,127.33	92.56	123.67	2.42	0.20	47.60	1.03	1.99	1.61	1.36	-	1,399.79
Cost or deemed cost	-	7.47	430.88	-	-	14.10	2.72	1.31	3.01	2.15	-	461.63
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2017	1,127.33	100.03	554.55	2.42	0.20	61.71	3.75	3.30	4.62	3.51	-	1,861.42
Additions	742.92	-	32.26	0.36	7.99	0.32	0.27	1.19	4.11	2.03	0.11	791.55
Disposal	-	-	-	-	-	10.36	-	-	-	-	-	10.36
As at 31st March 2018	1,870.25	100.03	586.81	2.78	8.19	51.67	4.02	4.49	8.73	5.54	.11	2,642.60
Accumulated depreciation/ amortisation												
As at 01st April 2016	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	7.51	40.55	0.35	0.13	10.31	0.73	1.07	1.84	0.97	-	63.47
Deduction on disposal	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2017	-	7.51	40.55	0.35	0.13	10.31	0.73	1.07	1.84	0.97	-	63.47
For the year	-	7.73	61.41	0.38	0.25	9.93	0.94	0.85	2.13	0.99	0.03	84.63
Deduction on disposal	-	-	-	-	-	7.18	-	-	-	-	-	7.18
As at 31st March 2018	-	15.24	101.96	0.73	0.38	13.06	1.67	1.92	3.97	1.96	0.03	140.93
Net block												
As at 01st April 2016	1,127.33	92.56	123.67	2.42	0.20	47.60	1.03	1.99	1.61	1.36	-	1,399.79
As at 31st March 2017	1,127.33	92.52	514.00	2.08	0.07	51.40	3.02	2.23	2.78	2.53	-	1,797.95
As at 31st March 2018	1,870.25	84.79	484.85	2.05	7.81	38.61	2.34	2.57	4.76	3.57	0.08	2,501.67



b) Capital work-in-progress ("CWIP")			
Particulars	CWIP - Plant and machinery	CWIP - Others	Total
As at 01st April 2016	82.62	-	82.62
Additions	371.78	23.28	395.06
Deletions	438.36	23.28	461.64
Balance as on 31st March 2017	16.04	-	16.04
Additions	98.34	15.90	114.25
Deletions	36.89	15.90	52.79
Balance as on 31st March 2018	77.49	-	77.49

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
3	Non- current Financial Assets - Loans Unsecured, considered good:			
	(a) Security Deposits	23.92	26.71	16.28
	Total	23.92	26.71	16.28

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
4	Deferred tax asset/ liability			
	Deferred tax asset	-	-	2.16
	Deferred tax liability	23.49	34.29	-
	Total	23.49	34.29	2.16

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
5	Other Non-Current Assets			
	(a) Capital Advances	-	-	68.77
	(b) Others - Unamortized expense on rental deposit and others	11.51	8.12	7.90
	Total	11.51	8.12	76.67

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
6	Inventories			
	(a) Raw materials:			
	i) Stock of raw materials	1,149.49	170.22	351.96
	ii) Goods under Clearance	334.19	448.38	36.51
	Total Raw materials	1,483.68	618.61	388.47
	(b) Work-in-progress	495.37	288.25	235.54
	(c) Finished goods	287.10	431.08	303.26
	(d) Stores, fuel and packing material	54.04	39.55	29.97
	Total	2,320.19	1,377.49	957.24



Mode of valuation

- (a) Raw materials, Stores and spares : Valued at cost under FIFO method
(b) Work-in-progress : Value derived from value of finished goods less estimated cost of work to be completed
(c) Finished goods : Valued at cost or net realisable value whichever is lower

Note . No	Particulars	"As at31 Mar 2018" Rs. Lakh	"As at31 Mar 2017" Rs. Lakh	"As at1 Apr 2016" Rs. Lakh
7	Trade Receivables			
	(a) Unsecured Considered good	1,039.24	598.46	449.90
	Total	1,039.24	598.46	449.90
Out of the above, Rs.135.90 (31 Mar 2017: Rs.0.14 lakh) pertains to amount receivable from Suresh Industries in which director has significant influence				

Note . No	Particulars	"As at31 Mar 2018" Rs. Lakh	"As at31 Mar 2017" Rs. Lakh	"As at1 Apr 2016" Rs. Lakh
8	Cash and Cash Equivalents			
	(a) Balance with banks	194.84	1.99	1.19
	(b) Cash on hand	0.41	2.77	2.08
	Total	195.25	4.76	3.27

Note . No	Particulars	"As at31 Mar 2018" Rs. Lakh	"As at31 Mar 2017" Rs. Lakh	"As at1 Apr 2016" Rs. Lakh
9	Bank balances other than that included in Cash and cash equivalents			
	(a) Balance with scheduled banks in deposit accounts held as margin money	2.47	154.90	147.00
	(b) Earmarked Balances with bank account - Dividend Warrant	38.65	33.89	23.99
	Total	41.12	188.79	170.99

Note . No	Particulars	"As at31 Mar 2018" Rs. Lakh	"As at31 Mar 2017" Rs. Lakh	"As at1 Apr 2016" Rs. Lakh
10	Other Financial Assets -Advances to employees and others Unsecured, considered good:			
	Advances to employees	6.08	8.88	3.82
	Security Deposits	0.66	0.11	0.81
		6.74	8.99	4.63
Out of the above Rs.5.08 lakh (31 Mar 2017: Rs.8.36 lakh) pertains to salary advance due from officer of the company				



KANCHI KARPOORAM LIMITED

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Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
11	Other current assets			
	(i) Advances other than capital advances			
	(a) Advances to suppliers & other creditors	321.45	10.56	75.23
	(ii) Others			
	(a) Balances with Government authorities	68.68	279.02	272.59
	(b) Prepaid expenses	5.38	10.06	4.68
	(c) Claims receivable - ED Export rebate	4.41	3.84	5.80
	(d) Others- Unamortized expense on salary advance	0.56	1.74	0.67
	(e) Interest accrued and not due	0.12	2.47	9.92
		400.60	307.69	368.89

Note . No	Particulars	"As at31 Mar 2018"		"As at31 Mar 2017"		"As at1 Apr 2016"	
		Shares	Rs. Lakh	Shares	Rs. Lakh	Shares	Rs. Lakh
12	Equity Share capital						
	a) Authorised share capital						
	Equity shares of Rs. 10/- each	50,00,000	500.00	50,00,000	500.00	50,00,000	500.00
	Issued, subscribed and paid up capital						
	Equity shares of Rs. 10/- each	41,42,200	414.22	41,42,200	414.22	41,42,200	414.22
b)	Reconciliation of number of shares outstanding						
	Shares outstanding as at 1 Apr 2017 / 1 Apr 2016 / 1 Apr 2015	41,42,200	414.22	41,42,200	414.22	41,42,200	414.22
	Shares outstanding as at 31 Mar 2018 / 31 Mar 2017 / 31 Mar 2016	41,42,200	414.22	41,42,200	414.22	41,42,200	414.22
c)	Terms/rights attached to Equity Share: 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. Dividend (if any) proposed by the board of directors is subject to approval of the shareholders at the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.						
d)	"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%		



	Particulars	Reserves and Surplus			Items of Other	Total
		Capital Reserve	General Reserve	Retained earnings	Comprehensive Income	
13.	Other Equity					
	Balance as at 1st April 2016	-	210.00	1,286.70	-	1,496.70
	Total Comprehensive Income for the year	-		303.29	-	303.29
	Dividends transferred to retained earnings	-		(74.82)	-	(74.82)
	Balance as at 31st March 2017	-	210.00	1,515.17	-	1,725.17
	Total Comprehensive Income for the year	-		1,518.02	(2.39)	1,515.63
	Dividends transferred to retained earnings	-		(74.90)		(74.90)
	Balance as at 31st March 2018	-	210.00	2,958.29	(2.39)	3,165.90

Nature and purpose of Reserves

General Reserve:

Part of retained earnings was earlier utilised for declaration of dividends as per the erstwhile Companies Act, 1956. This is available for distribution to shareholders.

Retained Earnings:

Company's cumulative earnings since its formation, minus the dividends/capitalisation and earnings transferred to General Reserve.

Note . No	Particulars	"As at 31 Mar 2018"	"As at 31 Mar 2017"	"As at 1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
14	Non-Current Financial Liabilities- Borrowings			
	Term Loan			
	(i) From banks			
	(a) Secured by vehicles purchased	9.48	16.06	14.06
	(b) Unsecured	-	-	-
	Total	9.48	16.06	14.06

Terms of repayment of loan				
Type of loan	Interest Rate (p.a)	Rs. Lakh		Balance
		Total Balance Outstanding	Current Maturities	Intsalments
HDFC Bank - Hire purchase loan	9.61%	7.24	2.90	28
HDFC Bank - Hire purchase loan	10.15%	8.82	3.67	27
Total		16.06	6.58	



Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
15	Current Financial Liabilities- Borrowings			
	Loans repayable on demand			
	I) From banks			
	(a) Secured			
	i) Working capital demand loan from Citi Bank *	400.00	-	-
	ii) Working capital loan from Bank of India	-	554.95	619.92
	ii) Buyer's credit *	1,808.04	890.58	597.86
		2,208.04	1,445.53	1,217.78
	 *The entire borrowing limits availed/to be availed by the company from Citi Bank 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			
	Loans from related parties			
	(a) Unsecured			
	i) Loans from directors	76.08	84.75	24.75
	Loans from Directors carry an interest of 13% p.a			
	Deposits			
	(a) Unsecured			
	i) Inter Corporate Deposits	-	116.00	116.00
	ii) Trade Deposits	50.00	80.00	-
	Inter corporate deposits and trade deposits carry an interest of 12% p.a (14% during the year 2016-17)			
	Total	2,334.12	1,726.28	1,358.53

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
16	Trade payables	127.89	121.66	104.55
	The Company has not received information from vendors regarding their status under Micro, Small and Medium Enterprises Act, 2006. Hence, the disclosures relating to amounts unpaid as at the year-end together with interest payable / paid under this Act has not been given.			
	Total	127.89	121.66	104.55



Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
16	Trade payables	127.89	121.66	104.55
	The Company has not received information from vendors regarding their status under Micro, Small and Medium Enterprises Act, 2006. Hence, the disclosures relating to amounts unpaid as at the year-end together with interest payable / paid under this Act has not been given.			
	Total	127.89	121.66	104.55

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
17	Current - Other Financial Liabilities			
	(a) Current Maturities of Long Term Debt	6.58	7.88	7.83
	(b) Interest accrued but not due on borrowings	0.18	0.82	0.95
	(c) Unclaimed dividend	38.65	33.89	23.99
	(d) Advance from customers	5.55	1.56	0.10
	(e) Security deposit	-	-	0.56
	Total	50.96	44.15	33.42

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
18	Other Current Liabilities			
	Others:			
	i) Statutory dues payable	16.08	20.51	18.24
	ii) Outstanding expenses	41.47	38.64	23.37
	iii) Excise duty -FG	-	45.08	32.02
	Total	57.55	104.23	73.62

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"	"As at1 Apr 2016"
		Rs. Lakh	Rs. Lakh	Rs. Lakh
19	Provisions			
	i) Provision for employee benefits			
	Leave Encashment	1.65	2.35	3.67
	Bonus	23.88	14.11	17.01
	ii) Other provisions			
	Provision for Corporate Social Responsibility	4.20	-	-
	Total	29.73	16.46	20.68



KANCHI KARPOORAM LIMITED

An ISO 9001 : 2008 Certified Company
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Note . No	Particulars	"As at31 Mar 2018" Rs. Lakh	"As at31 Mar 2017" Rs. Lakh	"As at1 Apr 2016" Rs. Lakh
20	Current Tax liabilities (Net)			
	Provision for Income Tax	810.00	138.17	22.44
	(Less) Advance tax and tax deducted at source	(405.60)	(5.69)	(5.78)
	Total	404.40	132.48	16.66

Note . No	Particulars	"As at31 Mar 2018" Rs. Lakh	"As at31 Mar 2017" Rs. Lakh
21	Revenue from operations		
a)	Revenue from sale of products (Gross)		
	Sale of products		
	i) Camphor	9,863.07	5,228.69
	ii) Dipentine	955.01	797.61
	iii) Others	873.34	570.99
		11,691.43	6,597.28
b)	Other operating revenues (Gross)		
	Sale of Scrap	15.71	10.06
	TOTAL	11,707.14	6,607.34

Note . No	Particulars	"As at31 Mar 2018" Rs. Lakh	"As at31 Mar 2017" Rs. Lakh
22	Other Income		
a)	Interest income		
	i) Interest income from bank	0.09	12.53
	ii) Interest income from others	11.85	0.96
	iii) Interest income from financial assets measured at amortized cost	2.21	0.04
		14.16	13.53
b)	Other Non-operating income		
	i) Profit on sale of asset	-	-
	ii) Foreign Exchange Gain	57.43	54.97
		57.43	54.97
	TOTAL	71.58	68.50

Note . No	Particulars	"As at31 Mar 2018" Rs. Lakh	"As at31 Mar 2017" Rs. Lakh
23	Cost of raw materials consumed		
	Raw materials		
	Imported :		
a)	-Oleo Pine Resin	16.93	72.15
b)	-Commercial Alpha Pinene	43.20	-
c)	-Gum Turpentine	6,484.46	3,500.84
e)	-Other Raw Materials	393.15	155.25
	Indigenous :		
f)	Other Materials	908.13	684.79
	TOTAL	7,845.87	4,413.03



Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"
		Rs. Lakh	Rs. Lakh
24	Change in inventories of finished goods, stock-in-trade and Work-in-progress Finished goods and work in progress		
a)	Opening stock	719.33	538.80
b)	Closing stock	(782.47)	(719.33)
	Excise Duty on finished goods	(58.45)	23.50
c)	Change in inventory	(121.60)	(157.02)

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"
		Rs. Lakh	Rs. Lakh
25	Employee benefits expense		
a)	Salaries and wages	396.34	268.29
b)	Contribution to provident and other funds	23.38	23.51
c)	Staff welfare expenses	14.95	16.46
d)	Interest expense on financial asset measured at amortized cost	0.59	-
	TOTAL	435.27	308.26

Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"
		Rs. Lakh	Rs. Lakh
26	Finance Costs		
a)	Interest	81.15	127.38
b)	Exchange differences considered as borrowing costs	7.01	12.89
c)	Other borrowing costs- Commission on Buyers' credit and other charges	56.97	45.79
	TOTAL	145.13	186.06



Note . No	Particulars	"As at31 Mar 2018"	"As at31 Mar 2017"
		Rs. Lakh	Rs. Lakh
27	Other expenses		
a)	Consumption of stores & spare parts	39.37	27.26
b)	Power cost at Factory	111.69	93.80
c)	Cost of consumption of fuel	224.06	231.18
d)	Power cost - others (Diesel)	6.56	7.08
e)	Rent	22.55	20.19
f)	Repairs to buildings	1.91	11.64
g)	Repairs to machinery	44.56	38.09
h)	Repairs to others	23.75	20.75
i)	General expenses *	76.16	27.01
j)	Insurance	7.97	6.12
k)	Rates and taxes	9.97	8.05
l)	Communication expenses	6.73	6.76
m)	Travelling and conveyance	30.07	25.67
n)	Printing and stationery	3.20	3.23
o)	Selling expenses	151.93	87.59
p)	Donations and contributions	1.50	3.17
q)	Legal and professional charges	43.89	27.55
r)	Payment to auditors #	5.93	5.32
s)	Net loss on foreign currency transactions and translation	23.83	-
t)	Loss on fixed assets sold	0.55	-
u)	Interest expense on financial asset measured at amortized cost	1.48	0.25
	TOTAL	837.65	650.71

* Includes CSR expenditure of Rs.4.20 lakh (2016-17: Nil) provided and to be spent in 2018-19

Payment to auditors

Particulars	"2017-18Rs. Lakh"	"2016-17Rs. Lakh"
Statutory Audit Fee	3.50	3.50
Tax Audit Fee	0.45	0.25
Limited review	0.85	0.33
Others 1.13	1.24	
TOTAL	5.93	5.32



Note 28: Capital management

The Company's objective of capital management is to maximise the return to its shareholders through optimal mix of debt and equity.

The Company determines the amount of capital required on the basis of annual and long-term operating plans. The funding requirements are met through equity and long term/short term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The following table summarises the capital of the Company:

(Rupees in lakh)

S.No.	Particulars	"As at 31 Mar 2018"	"As at 31 Mar 2017"	"As at 1 Apr 2016"
1	Equity	414.22	414.22	414.22
2	Debt	2,350.18	1,750.22	1,380.41
3	Cash and cash equivalents	(195.25)	(4.76)	(3.27)
4	Net debt (2+3)	2,154.93	1,745.46	1,377.14
5	Total capital (Equity + Net debt)	2,569.15	2,159.68	1,791.36
	Net debt to Capital ratio	0.84	0.81	0.77

Note 29: Fair values

1 Fair value measurement hierarchy is as follows:

- Level 1 item of fair valuation is based on market price quotation at each reporting date
- Level 2 item of fair valuation is based on significant observable input like PV of future cash flows, MTM valuation, etc.
- Level 3 item of fair valuation is based upon significant unobservable inputs where valuation is done by independent valuer.

2 The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and are considered to be the same as their fair values, due to their short-term nature.

3 For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values. The fair value of the financial assets and financial liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Method and assumption

The following methods and assumption were used to estimate the fair value at the reporting date:

Loans to employees and security deposit paid are valued using discounted cash flow using rates currently available for items on similar terms, credit risk and maturities



Note 30: Financial instruments and Risk factors

Financial Risk factors

The Company's financial liabilities comprise of short term and long term borrowings, trade payables, employees dues and unpaid dividend. The main purpose of financial liabilities is to support the Company's financial operations. The Company's financial assets includes security deposit, investments, trade receivable, staff advance, cash and cash equivalents, Bank balance etc that derive directly from the operations.

To ensure alignment of risk management system with the corporate and operational objective and to improve upon the existing procedure, the Company oversees various risk factors for managing of these risks.

Interest rate risk

The Company is exposed to interest rate risk from the possibility that the inflow in the interest rate will affect future cash flows of a financial instruments.

The Company's interest rate mix management includes to maintain a mix between fixed or floatig rate based on liquidity.

Credit risk

Customer credit risk is managed according to the Company's policy, procedure and control relating to customers' credit risk management. Outstanding receivables are monitored regularly.

Liquidity risk

"The Company monitors its risk of shortage of funds using detailed cash flow projections which is monitored closely on a daily basis. The Company has been sanctioned credit facilities for meeting its working capital requirement of the Company."

The table below summarizes, the maturity profile of the Company's financial liabilities based on the contractual maturities

Particulars	On Demand	< 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
31 March 2018						
Working capital facilities from Banks	2,208.04	-	-	-	-	2,208.04
Term Loan	-	1.64	4.93	9.48	-	16.06
Loan from related parties	76.08	-	-	-	-	76.08
Deposits taken	50.00	-	-	-	-	50.00
Trade Payables	-	127.89	-	-	-	127.89
Other financial liabilities	57.55	50.96	-	-	-	108.51
31 March 2017						
Working capital facilities from Banks	1,445.53	-	-	-	-	1,445.53
Term Loan	-	1.97	5.91	16.06	-	23.94
Loan from related parties	84.75	-	-	-	-	84.75
Deposits taken	196.00	-	-	-	-	196.00
Trade Payables	-	121.66	-	-	-	121.66
Other financial liabilities	104.23	44.15	-	-	-	148.38
1 April 2016						
Working capital facilities from Banks	1,217.78	-	-	-	-	1,217.78
Term Loan	-	1.96	5.87	14.06	-	21.89
Loan from related parties	24.75	-	-	-	-	24.75
Deposits taken	116.00	-	-	-	-	116.00
Trade Payables	-	104.55	-	-	-	104.55
Other financial liabilities	73.62	33.42	-	-	-	107.05



Note 31: Transition to Ind AS

"These are the Company's first financial statements prepared in accordance with Ind AS, notified under Section 133 of the Companies Act, 2013 read with the Rules made thereunder. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March 2017 and in the preparation of opening Ind AS balance sheet as at 1st April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP)."

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and financial performance is set out below:

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions:1. Deemed cost - Property, Plant and Equipment and Intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at previous GAAP carrying value, except freehold land which is measured at its market value as at the transition date.

2. Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investment in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption and accordingly, opted to:

- a. Designate financial assets at FVTPL as per Ind AS 109 based on fact and circumstances at the transition date.

Ind AS mandatory exceptions:1. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April 2016 are consistent with estimates as at the same date made in conformity with previous GAAP.

2. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Financial assets such as loans to employees and security deposit paid have been classified and measured at amortized cost on the basis of facts and circumstances at the date of transition to Ind AS.

Reconciliation of total comprehensive income for the year ended 31 March 2017 (Rupees in lakh)

Particulars	"Year ended 31 Mar 2017 (Rs. Lakh)"
Net Profit as per previous GAAP	303.50
Add:	
Income on salary advance	0.04
Less:	
Interest expense on salary advance	(0.08)
Interest income on rental deposit	(0.17)
Total comprehensive income for the year under Ind AS	303.29



Reconciliation of equity

Rupees in lakh)		
Particulars	"As at 1 Apr 2016"	"As at 31 Mar 2017"
Equity as per Indian GAAP	738.61	1,042.11
Adjustments:		
Dividend	62.17	-
Tax on dividend	12.65	-
Adoption of fair value for land at the transition date	1,098.27	1,098.27
Fair value measurement for rental deposits at the transition date	(0.90)	(0.90)
Fair value measurement for salary advance at the transition date	0.12	0.12
Fair value measurement for salary advance - 2016-17 - Income	-	0.04
Fair value measurement for salary advance - 2016-17 - Expense	-	(0.08)
Fair value measurement for rental deposits - 2016-17 - Expense	-	(0.17)
Equity as per Ind AS	1,910.92	2,139.39

Note 32: Contingent liabilities

- (a) Contingent Liability- Performance Guarantee issued by Bank of India to TNPCB for Rs.Nil (2016-17: Rs.2 lakh)
(b) Estimated amount of contracts remaining to be executed on capital accounts not provided for - Rs.____ lakh (2016-17: Rs.16.04 lakh)

Note 33: Related Party disclosures

I) 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 |
| d | Shri. KC.Radhakrishnan | CFO |

II) Director

- | | |
|--------------------|----------|
| Smt. Pushpa S Jain | Director |
|--------------------|----------|

III) Other Related Parties

- | | | |
|---|------------------------|--|
| a | M/s. Suresh Industries | Firm in which directors have significant influence |
| b | M/s. Ambika Industries | Firm in which directors have significant influence |
| c | Shri. Mukesh Goal | Relative of Director |

S. No.	Name	Nature of Relation	Nature of Transaction	Total Amount		Amount Outstanding as at year end	
				" 2017-18 (Rs. lakh) "	" 2016-17 (Rs. lakh) "	" 31 Mar 2018 (Rs. Lakh) "	" 31 Mar 2017 (Rs. Lakh) "
1	Suresh Shah	Managing Director	Remuneration Including Contribution to Provident Fund and other perquisites *	27.06	20.98	1.58	1.56
2	Dipesh Jain	Whole Time Director	Remuneration Including Contribution to Provident Fund and other perquisites *	25.41	19.60	1.46	1.44
3	Arun V Shah	Director	Remuneration Including Contribution to Provident Fund and other perquisites *	17.02	11.02	1.08	0.92
4	KC.Radhakrishnan	CFO	Remuneration Including Contribution to Provident Fund and other perquisites *	24.58	15.82	0.93	-



S. No	Name	Nature of Relation	Nature of Transaction	Total Amount		Amount Outstanding as at year end	
				" 2017-18 (Rs. lakh) "	" 2016-17 (Rs. lakh) "	" 31 Mar 2018 (Rs. Lakh) "	" 31 Mar 2017 (Rs. Lakh) "
5	Suresh Shah	Managing Director	Unsecured Loan to the Company	(3.88)	20.00	23.62	27.50
6	Dipesh Jain	Whole Time Director	Unsecured Loan to the Company	(3.27)	20.00	33.98	37.25
7	Arun V Shah	Director	Unsecured Loan to the Company	(1.52)	20.00	18.48	20.00
8	Suresh Shah	Managing Director	Interest paid	3.35	1.47	-	-
9	Dipesh Jain	Whole Time Director	Interest paid	4.53	3.00	-	-
10	Arun V Shah	Director	Interest paid	2.43	0.73	-	-
11	KC.Radhakrishnan	CFO	Salary Advance	(4.20)	10.00	5.80	10.00
12	Mukhesh Goal	Relative	Consultancy Charges	6.60	6.60	-	-
13	Pushpa S.Jain	Director	Sitting Fees	0.15	0.15	-	-
14	Suresh Industries	Firm in which directors have significant influence	Sales	1,054.16	112.20	(135.90)	(0.15)

Note: * Amount excludes contribution to Gratuity fund and provision for leave encashment liability, as separate figures are not available.

Figures in brackets represent repayment of Loans / Debit balances.

Note 34: Earnings per share

Rupees in lakh)

Particulars	"2017-18Rs. Lakh"	"2016-17Rs. Lakh"
Net Profit/(Loss) as per Statement of Profit and loss	1,518.02	303.29
Weighted Average Number of Equity Shares (in lakhs)	41.42	41.42
Face value per share (in Rs.)	10	10
Basic and Diluted Earnings Per share (in Rs.)	36.65	7.32

Note 35: Segment reporting

The Board of Directors of the Company has been identified as the Chief Operating Decision Maker ("CODM"). The Directors evaluate the Company performance and allocate resources based on the analysis of various performance indicators of the Company as a single unit. Therefore there is no reportable segment for the Company.

The entire revenue from operations is derived from India.

All non-current assets are situated within India.

Note 36: Operating lease

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

(Rupees in lakh)

Particulars	2017-18	2016-17
Not later than One Year	6.58	7.88
Later than One Year and not later than Five Years	9.48	16.06
Later than Five Years	-	-

**Note 37: Details of remuneration to Managing Director**

Rupees in lakh)

Particulars	"2017-18Rs. Lakh"	"2016-17Rs. Lakh"
Salary	22.80	17.40
Company's contribution to Provident Fund	0.22	0.22
Other Perquisites	4.05	3.36
Total*	27.06	20.98

Note: *The amount excludes contribution to Gratuity fund and provision for leave encashment liability

Whole Time Directors

Rupees in lakh)

Particulars	"2017-18Rs. Lakh"	"2016-17Rs. Lakh"
Salary	38.16	26.76
Company's contribution to Provident Fund	0.43	0.43
Other Perquisites	3.84	3.43
Total*	42.43	30.62

Note: *The amount excludes contribution to Gratuity fund and provision for leave encashment liability

Note 38:

Previous years' figures have been regrouped and rearranged, wherever necessary, to conform to current year classification and rounded off to the nearest lakh of rupee.

As per our Report of even date

For and on behalf of the Board

For P.Chandrasekar LLP

Chartered Accountants

Firm Regn. No.: 000580S/S200066

Suresh Shah

Managing Director

Dipesh S Jain

Whole-time Director

S.Sriram

Partner

Membership No.: 205496

Arun V Shah

Whole-time Director

A.Priyanka

Company Secretary

Place: Chennai

Date: 16th May 2018

K.C.Radhakrishnan

Chief Financial Officer

Date: 4th July 2018



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]

25th 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 25th Annual General Meeting of the Company, to be held on thursday, the 27th day of September, 2018 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
<u>Ordinary Business</u>	
1	To consider and adopt the Audited Standalone Financial Statements for the Financial Year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon.
2	To declare dividend on equity shares for the year ended 31st March, 2018.
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
<u>Special Business</u>	
4	To Approve Related Party Transaction with M/s. Suresh Industries.
5	Appointment of M/s. N. Sivashankaran & Co., Cost Accountants, appointed as Cost Auditors and remuneration to be paid.
6	To Approve revision in remuneration for Directors.
7.	To increase the authorised capital.
8.	To amend the Memorandum of Association.
9.	To allot warrants, convertible to equity shares on preferential basis.

Signed this _____ day of _____ 2018

Signature of the shareholder(s)

Affix Revenue
Stamp not less
than Rs.1/-

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.

**KANCHI KARPOORAM LIMITED**

CIN: L30006TN1992PLC022109

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

ATTENDANCE SLIP**25th ANNUAL GENERAL MEETING**

(to be handed over at the entrance of the meeting hall)

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 25th Annual General Meeting of the Company being on thursday, the 27th September, 2018 at 11.00A.M at M.M.Hotels. 65/66, Nellukara Street, Kanchipuram, Tamilnadu – 631 502

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 (Electronic Voting Sequence Number)	User ID	Password
180720013	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 25th Annual General Meeting. The Voting period starts from 24th September, 2018 at 10.00 am and ends on 26th September, 2018 at 05.00 pm. The Voting module shall be disabled by CDSL for voting thereafter



Route Map





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An ISO 9001 : 2008 Certified Company

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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.

Email : info@kanchikarpooram.com / Website : www.kanchikarpooram.com