



Ref: KKL/SE/2020

01.09.2020

To,
BSE Ltd
25th Floor, P.J.Tower,
Dalal Street, Mumbai - 400 001

Dear Sir/Madam

Sub: Annual Report 2019-20 for the 27th Annual General Meeting

The 27th Annual General Meeting ("AGM") of the Company will be held on Friday, September 25th, 2020 at 11.00 a.m. through Video Conferencing / Other Audio Video Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI"). In this regard, please find enclosed herewith the Notice of 27th Annual General Meeting along with the Annual Report for financial year 2019-20.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For Kanchi Karpooram Limited



J. R. Vishnu Varthan
Company Secretary



KANCHI KARPOORAM LIMITED

**TWENTY SEVENTH
ANNUAL REPORT
2019-2020**



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, Chairman, 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

Mr. J. R. Vishnu Varthan

AUDITORS

M/s. P. Chandrasekar, LLP
Chartered Accountants
No. 18A, 1st Floor, Plot No. 5
Balaiah Avenue, Luz,
Mylapore, Chennai – 600 004.

SECRETARIAL AUDITOR

Mr. Lovelish Lodha
Practicing Company Secretary
No.31, “Matashree Nivas”, AP Road,
1st Lane, Choolai, Chennai - 112

BANKERS

1. Citi Bank, N.A.,
No. 163 Anna Salai, Second Floor, Chennai - 600002.
2. State Bank of India,
Kilpauk Garden Branch, 27/14, Landons Road, Kilpauk, Chennai - 600010
3. 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 27th Annual General Meeting of the members of Kanchi Karpooram Limited will be held on Friday, 25th September, 2020 at 11.00 a.m. through Video Conference (VC)/ Other Audio Visual Means (OAVM), to transact the following business:

Ordinary Business:**1. Adoption of Standalone Financial Statements**

To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.

2. Declaration of dividend

To declare a final dividend of Rs. 1.00 per equity share for the year ended 31st March, 2020 and to confirm interim dividend of Rs. 2.00 per equity share already paid during the year 2019-20.

3. Re-appointment of Mrs. Pushpa S Jain as a Director, liable to retire by rotation

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 Business:**4. Approval Of Related Party Transaction**

To consider and if though fit, to pass with or without modification(s) the following resolution as a Ordinary 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.30 Crores (Rupees Thirty Crores 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. Appointment of Mr. Arun V Shah (DIN: 01744884) as a Whole Time Director

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

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as ‘the Act’) and the relevant Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the applicable Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of the Articles of Association of the Company, Mr. Arun V Shah (DIN: 01744884), who was appointed by the Board of Directors of the Company at their meeting held on 22nd October 2019, based on the recommendation of the Nomination and Remuneration Committee of the Board and who holds office as such up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Whole Time Director of the Company.”



“RESOLVED FURTHER THAT in accordance with the recommendations of the Nomination and Remuneration Committee of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 and 203 of the Act, read with Schedule V to the Act, and other applicable provisions, if any, of the Act and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company and subject to the approval of the central government or such other sanctions as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. Arun V Shah as a Whole-Time Director of the Company for a period 5 years effective from 25th September 2020 on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice of this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the appointment and/ or remuneration based on the recommendation of the Nomination & Remuneration Committee, subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and is not liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and matters and things as, in its absolute discretion, it may consider necessary, expedient and desirable to give effect to this resolution.”

6. Appointing Mr. Dipesh S Jain (DIN: 01659930), Whole Time Director, as Joint Managing Director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, and in accordance with the provisions of Section 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, and subject to the approval of the Central Government as may be required, Mr. Dipesh S Jain (DIN: 01659930), who was a Whole Time Director of the Company, be and is hereby by appointed as Joint Managing Director of the Company for a period of 5 years effective from 25th September 2020, is not liable to retire by rotation, on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice of this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the appointment and/ or remuneration based on the recommendation of the Nomination & Remuneration Committee, subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and matters and things as, in its absolute discretion, it may consider necessary, expedient and desirable to give effect to this resolution.”

7. Appointment of Mr. Rajagopalan Kannan (DIN: 08837382) as an Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors for appointment of Mr. Rajagopalan Kannan (DIN: 08837382) as an Additional Director in the capacity of an Independent Director of the Company w.e.f. 24th August 2020, who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act and who holds office as such up to the date of ensuing Annual General Meeting, be and is hereby, appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a period of five years effective from 25th September 2020”



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

8. Ratification of Remuneration paid to Cost Auditors

To consider and, if thought fit, to pass 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 2020-21, 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.

For & On Behalf of the Board

For **KANCHI KARPOORAM LIMITED**

Place: Chennai
Date: 24.08.2020

Dipesh S Jain
(DIN: 01659930)
Whole time Director

Suresh V Shah
(DIN: 01659809)
Managing Director

NOTES

1. Being this AGM scheduled to be held through VC/ OAVM in pursuant to MCA Circular No. 14/2020 dated April 08, 2020, hence the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members of body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
2. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business set out in the Notice is annexed hereto.
3. 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.
4. The Register of Members and Share Transfer Books of the Company will remain closed from the 19th September, 2020, Saturday to 25th September, 2020, Friday (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the meeting.
5. If Dividend as recommended by the Board of Directors is approved at the AGM, the payment of dividend will be made on/before 24th October, 2020 to those members whose names shall appear on the Company's register of members on the closure of business hour on 18th September, 2020 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.



6. 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.
7. 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.
8. 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.
9. 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.kklgroup.in), as also on the website of Ministry of Corporate Affairs.
10. 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.
11. 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.
12. 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.
13. 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.
14. Members may also note that the Notice of the 27th AGM and the Annual Report for FY 2019-20 will be available on the Company's website www.kklgroup.in for their download and also on the website of Central Depository Services (India) Limited viz. www.evotingindia.com.
15. 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 / agm@cameoindia.com
16. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be 18th September, 2020.

TDS on Dividend:

- i. Members may note that in terms of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. For the prescribed rates for



various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ Cameo Corporate Services Limited, Registrars and Share Transfer Agent by sending a mail to agm@cameoindia.com (in case of shares held in physical mode) and respective depositories (in case of shares held in demat mode).

- ii. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by uploading the documents on the link <https://investors.cameoindia.com/> on or before September 18, 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a rate of 20%.
- iii. Dividend, if any, declared will be paid subject to deduction of income-tax at source (TDS) at applicable rates. In respect of resident individuals, if the dividend payment is in excess of Rs. 5,000/- (collectively for all folios with the same PAN number) the TDS will be at the rate of 10%. Wherever, TDS is made, TDS Certificates will be sent to the concerned shareholders through email or post, as the case may be.

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kkggroup.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Tuesday 22nd September 2020 from 9.00 AM and ends on Thursday 24th September 2020 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 18th September 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote in the meeting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.OR
Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company /RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">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).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of Kanchi Karpooram Limited.



- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to agm@cameoindia.com.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to agm@cameoindia.com.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7(seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@kklgroup.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance atleast 7(seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@kklgroup.in. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
 4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - 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 linked in the login 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@kklgroup.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

For & On Behalf of the Board
For **KANCHI KARPOORAM LIMITED**

Place: Chennai
Date: 24.08.2020

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 One 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 there under, and also as per the Provisions laid down in Regulation 23 laid as per the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 the 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.30 Crore Only (Rupees Thirty Crores Only), or upto ten per cent of the turnover of the company, whichever is higher.

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:

Mr. Arun V Shah who was appointed as a Whole Time Director in the 21st Annual General Meeting of the Company cease to be the Whole Time Director of the Company on 09th September 2019. The Board of Directors of the Company ('the Board') at the meeting held on 22nd October, 2019, on the recommendation of the Nomination Remuneration Committee, have approved the appointment of Mr. Arun V Shah as Additional Director of the Company on the remuneration stated below, to hold the office upto the ensuing Annual General Meeting. The Board at the meeting held on 24th August 2020, on the recommendation of the Nomination & Remuneration Committee, has recommended for the approval of the Members, the appointment of Mr. Arun V Shah as Director and also as Whole time Director of the Company, for a period of five years effective from the date of this Meeting, as set out in the Resolution relating to his appointment.

Salary:

In the range of Rs. 2,00,000 per month to Rs. 5,00,000 per month. The annual increments which will be effective 1st April each year, will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee and will be performance-based and take into account the Company's performance as well.

**Benefits, Perquisites & Allowances:**

- Actual leave travel expenses, as per the rules of the company once in a year to any place in India and once in two years to foreign to Self, Spouse and max of 2 Dependent children.
- HRA or Fully furnished accommodation
- Leave with full pay and allowance as per Company's policy (or) Leave and encashment of un-availed leave as per the Rules of the Company.
- Personal accident insurance
- Reimbursement of Medical expenses incurred for Self, Spouse and max of 2 Dependent children subject to ceiling of one month's salary in a year or three month's salary(exclusive of HRA) over a period of 3 years
- Any one Club Subscription
- Provision of Car and company driver for official use as per rules of the Company in force from time to time
- Contribution to Provident Fund Superannuation Fund and Gratuity as per the approved scheme of the Company in force time to time. If not 15 days of Salary (Basic+DA) for every completed year of service, payable every year.
- Any other perquisites, benefits, amenities as may be decided from time to time and approved by the Nomination and Remuneration Committee.

Commission:

Commission will be calculated and payable every year on the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013. The Managerial remuneration taken along with Commission shall not exceed 10% of the net profits of the Company in any financial year.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the MD/ WTD, the Company has no profits, or its profits are inadequate, the Company will pay remuneration by way of salary including perquisites and allowance.

Computation of Ceiling:

The contribution to provident fund, gratuity and other encashment of leave as per Company policy shall not be included in the computation of perquisites for the purposes of ceiling to the extent these are not taxable under the Income-tax Act, 1961.

Nature of Duties:

The Whole Time Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.

Additional information in respect of Mr. Arun V Shah, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing under the section 'Information on Directors recommended for Appointment/Reappointment' and 'Report on Corporate Governance'. Notices under Section 160 of the Act proposing the appointment of Mr. Arun V Shah have been received. Requisite consents, pursuant to Section 152 of the Act, have been filed by Mr. Arun V Shah.

None of the Directors and Key Managerial Personnel of the Company except Mr. Arun V Shah (to whom the resolution relates), Mr. Suresh Shah, Mr. Dipesh S Jain and Mrs. Pushpa S Jain are concerned or interested in the resolution mentioned at Item No.5 of the Notice

**Item no 6:**

Mr. Dipesh S Jain was appointed as a Whole Time Director for the period of five years in the 23rd Annual General Meeting of the Company held on 07th September 2016. The Board of Directors of the Company ('the Board') at their meeting held on 24th August, 2020, on the recommendation of the Nomination Remuneration Committee, have recommended the appointment of Mr. Dipesh S Jain as the Joint Managing Director of the Company on the terms & conditions stated below for a period of five years effective from the date of this Meeting, as set out in the Resolution relating to his appointment.

Salary:

In the range of Rs. 4,00,000 per month to Rs. 7,00,000 per month. The annual increments which will be effective 1st April each year, will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee and will be performance-based and take into account the Company's performance as well.

Benefits, Perquisites & Allowances:

- Actual leave travel expenses, as per the rules of the company once in a year to any place in India and once in two years to foreign to Self, Spouse and max of 2 Dependent children.
- HRA or Fully furnished accommodation
- Leave with full pay and allowance as per Company's policy (or) Leave and encashment of un-availed leave as per the Rules of the Company.
- Personal accident insurance
- Reimbursement of Medical expenses incurred for Self, Spouse and max of 2 Dependent children subject to ceiling of one month's salary in a year or three month's salary(exclusive of HRA) over a period of 3 years
- Any one Club Subscription
- Provision of Car and company driver for official use as per rules of the Company in force from time to time
- Contribution to Provident Fund Superannuation Fund and Gratuity as per the approved scheme of the Company in force time to time. If not 15 days of Salary (Basic+DA) for every completed year of service, payable every year.
- Any other perquisites, benefits, amenities as may be decided from time to time and approved by the Nomination and Remuneration Committee.

Commission:

Commission will be calculated and payable every year on the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013. The Managerial remuneration taken along with Commission shall not exceed 10% of the net profits of the Company in any financial year.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the MD/ WTD, the Company has no profits, or its profits are inadequate, the Company will pay remuneration by way of salary including perquisites and allowance.

Computation of Ceiling:

The contribution to provident fund, gratuity and other encashment of leave as per Company policy shall not be included in the computation of perquisites for the purposes of ceiling to the extent these are not taxable under the Income-tax Act, 1961.

Nature of Duties:

The Whole Time Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such



powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.

Additional information in respect of Mr. Dipesh S Jain, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing under the section 'Information on Directors recommended for Appointment/Reappointment' and 'Report on Corporate Governance'. Notices under Section 160 of the Act proposing the appointment of Mr. Dipesh S Jain have been received. Requisite consents, pursuant to Section 152 of the Act, have been filed by Mr. Dipesh S Jain.

None of the Directors and Key Managerial Personnel of the Company except Mr. Dipesh S Jain (to whom the resolution relates), Mr. Suresh Shah, Mr. Arun V Shah and Mrs. Pushpa S Jain are concerned or interested in the resolution mentioned at Item No.6 of the Notice

Item no 7:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 24th August, 2020, have appointed Mr. Rajagopalan Kannan as an Additional Director in the position of Non Executive Independent Director of the Company not liable to retire by rotation, to hold office upto the ensuing Annual General Meeting. In terms of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Rajagopalan Kannan (DIN: 08837382) is proposed to be appointed as Independent Director for a term of 5 consecutive years effective from the date of this Meeting.

Mr. Rajagopalan Kannan (DIN: 08837382) is eligible for appointment as Independent Director in terms of Section 149(4) and has given declarations to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

The Nomination and Remuneration Committee has recommended his appointment as Independent Director for the aforesaid term and the Board has approved the same. Mr. Rajagopalan Kannan (DIN: 08837382) fulfill all the conditions specified in the Act and the Rules made there under and he is independent of the Management.

The Board considers that his appointment as Independent Director for the aforesaid term would be in the best interests of the Company. Hence, the Board recommends the Ordinary Resolutions as set out in Item No.7 of the Notice convening the Twenty Seventh Annual General Meeting of the Company for approval of the Members.

A copy of the draft letter of appointment of the Independent Directors setting out the terms and conditions would be available for inspection at the Registered Office of the Company during normal business hours on any working day.

Mr. Rajagopalan Kannan (DIN: 08837382) is interested in this resolution, as it relates to his appointment. None of the other directors and key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in these resolutions.

Item No.8:

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 29th April 2020, 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 2020-21 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. 8 of the accompanying Notice for the approval of members.

**INFORMATION ON DIRECTOR RECOMMENDED FOR APPOINTMENT / REAPPOINTMENT****1. Mrs. PUSHPA S JAIN (DIN: 06939054)**

Mrs. Pushpa S Jain (62) 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	3,54,953
List of Directorships held in other Companies	Nil
Chairmanship(s) / Membership(s) of Board Committees in Other Companies	Nil

2. Mr. ARUN V SHAH (DIN: 01744884)

Mr. Arun V Shah, is a B.Com Graduate and having to his credit More than 30 years of experience in sales in general and camphor in particular. He is a part of the company's Board since 1994 and has been dedicating his substantial time in the marketing and promotion of company's product. His contribution towards development of company' business is highly commendable.

A brief detail of Mr. Arun V Shah is as follows:

Name	Mr. Arun V Shah
Date of Birth	19.02.1964
DIN	01744884
Nationality	Indian
Relationship with Other Director	Brother of Mr. Suresh V Shah
Date of Appointment on Board	05.10.1994
Qualification	B.Com
Expertise in Area	More than 30 years of experience in sales in general and camphor
No. of Shares held	1,78,050
List of Directorships held in other Companies	Nil
Chairmanship(s) / Membership(s) of Board Committees in Other Companies	Nil

**3. Mr. DIPESH S JAIN (DIN: 01659930)**

Mr. Dipesh S Jain (40) assumed charge as the Director of the Company with effective from 11.11.2005. He is a Chemical Engineer with over 17 years of experience, responsible for Production and is currently heading the expansion works of the Company.

A brief detail of Mr. Dipesh S Jain is as follows:

Name	Mr. Dipesh S Jain
Date of Birth	22.01.1980
DIN	01659930
Nationality	Indian
Relationship with Other Director	Son of Mr. Suresh V Shah
Date of Appointment on Board	11.11.2005
Qualification	BE-Chemical Engineer
Expertise in Area	Production, Management, Marketing & Administration
No. of Shares held	2,58,750
List of Directorships held in other Companies	Nil
Chairmanship(s) / Membership(s) of Board Committees in Other Companies	Nil

4. Mr. RAJAGOPALAN KANNAN (DIN: 08837382)

Mr. Rajagopalan Kannan holds a Diploma in Mechanical Engineering, and has over 30 years of experience in power plant commissioning and planning. He has acted as a Technical Consultant for various Companies throughout the years.

A brief detail of Mr. Rajagopalan Kannan is as follows:

Name	Mr. Rajagopalan Kannan
Date of Birth	06.04.1965
DIN	08837382
Nationality	Indian
Relationship with Other Director	-
Date of Appointment on Board	24.08.2020
Qualification	Diploma in Mechanical Engineering
Expertise in Area	Management, Marketing and Production
No. of Shares held	Nil
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 Seventh Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2020.

FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March 2020 is summarized 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 31.03.2020 (Rs. in Lakhs)	Year ended 31.03.2019 (Rs. in Lakhs)
Revenue from operations	20,288.82	18,790.48
Other income	79.99	48.38
Total Expenses	20,368.81	18,838.86
Cost of Material Consumed	14,213.56	13,402.35
Depreciation and amortization expenses	126.14	94.97
Finance Cost	87.72	180.06
Other Expenses	1,051.25	955.11
Profit / Loss Before tax	3,517.21	4,121.06
Tax Expense	922.58	1,293.51
Total Comprehensive Income, Net of tax	2594.63	2,811.35
Earnings per share		
Basic	61.39	68.21
Diluted	59.45	66.45

FINANCIAL PERFORMANCE

The Total Revenue for the FY 2019-2020 was at Rs. 20,368.81 Lakhs/- (Previous Year Rs. 18,838.86 Lakhs/-), registering a growth of 8.12%. The Profit after tax stood at Rs. 2,594.63 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 -2** to this Report.

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

- Your Directors have declared and paid Interim Dividend of Rs. 2 (20%) per fully paid up equity share of the face value of Rs. 10 per share on 26th March 2020.
- Your Directors also recommend a final dividend of Rs. 1 (10%) per fully paid up equity share of the face value of Rs. 10 per share. Payment of Dividend is subject to the approval of Shareholders at the ensuing Annual General Meeting.



- The Company has not proposed to transfer any of its profits to reserves.

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 2020 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;
- the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- 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

During the year the total number of equity share warrants converted to equity shares are 71,400 and hence the paid up Equity Share Capital as at March 31, 2020 stood at Rs.

4,25,90,500 /-. 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, 2020 below are the Directors of the company holding instruments convertible into equity shares of the Company:

S. No.	Name of the Director	No. of warrants at the beginning of the year 01.04.2019	No. of warrants converted during the year	No. of equity shares increased	Balance warrants to be converted at the end of the year 31.03.2020
1	Dipesh S Jain	106500	27400	27400	79100
2	Suresh Shah	70270	44000	44000	26270

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 Director 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.

The Company has received necessary declarations from the Independent Directors under section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and as per Regulation of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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.

Mr. S. Srinivasan, Non Executive Independent Director of the Company was appointed as the permanent Chairman of the Board on 13.09.2019.

Mr. Arun V Shah, Whole Time Director of the Company who was appointed on 10.09.2014 ceases to be a Whole Time Director due to the end of his term. He was appointed as an Additional Director (Executive) of the Company in the Board meeting held on 22.10.2019 on recommendation of Nomination and Remuneration Committee.

Ms. Priyanka, Company Secretary and Compliance Officer submitted her resignation w.e.f., 31.07.2019 and upon the recommendation of Nomination and Remuneration Committee, the Board appointed Mr. J. R. Vishnu Varthan, member of Institute of Company Secretaries of India (ACS:43251) holding prescribed qualification under Rule 2(1) (Appointment and Qualification of Company secretary) Rules 1988, as a Whole time Secretary and Complaints Officers of the Company w.e.f. 22.08.2020.

NUMBER OF MEETINGS OF THE BOARD

During the year 2019-20, twelve (12) Board Meetings were held, the details of which are given in the Corporate Governance Report.

KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company as on 31.03.2020:

- 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) Mr. J. R. Vishnu Varthan, 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

As per the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit and Auditors) Rules, 2014, the Auditors, M/s. P. Chandrasekar, LLP, Chartered Accountants (Firm Registration Number: 000580S/S200066) were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 28.09.2017 for a period of Five (5) consecutive Financial Years from 2017-18 to 2021-22.

There are no qualifications or adverse remarks in the Statutory Audit Report which require any explanation from the Board of Directors.

**(b) COST AUDITOR**

As per Sec. 148 (6) of Companies Act 2013 and rule 6(6) of the Companies (Cost records and audit) Rules, 2014, the applicability of Cost audit is based on being the overall annual turnover of the company from all its products and services during the immediately preceding financial year rupees one hundred crore or more and the aggregate turnover of the individual product or products or service or services, being for which cost records are required to be maintained under rule 3, is Rupees Thirty Five Crore 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 2020-21.

(c) SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed Mr. Lovelish Lodha M, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as **Annexure-8** to this Report.

With regard to Observations/remarks contained in the Secretarial Auditors' Report your directors' wish to respond/state as under:

- i. As a law abiding entity we file our compliances meticulously. However, the said delay was of unavoidable in nature which the management ensures to avert in future.
- ii. The Company took note of the said composition issue and immediately rectified by reconstituting the Nomination and Remuneration Committee.

(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

During the year under review your Company has given a loan of Rs. 1,00,00,000 to M/s. Phukhraj Finance Private Limited by way of financial assistance for their business expansion. The Company has not 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.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has a policy viz., "Code of Conduct for prevention of Insider Trading" and the same has been posted on its website <http://www.kklgroup.in/>.

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 2020) 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. The CSR Report for the Financial Year 2019-20 is annexed to this report as **Annexure 5**. The composition of CSR Committee and the details of the ongoing CSR projects/ programs/activities are included in the CSR report/section. The CSR policy is uploaded on the Company's website at the web link: <http://www.kklgroup.in/admin/pdfupload/csr%20policy.pdf>

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 (**Annexure 7**).

COST RECORDS

Your Company is maintaining cost records and reports in pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub – section (1) of Section 148 of the Companies Act, 2013.

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 and the policy is available in the Company's website <http://www.kklgroup.in/>. 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 as **Annexure-1**.

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

The Company's Auditor's report does not have any statement on suspected fraud in the company operations to explain as per Sec. 134(3)(ca) of the Companies Act 2013.

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-6** 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: 24.08.2020

Dipesh S Jain
(DIN: 01659930)
Whole time Director

Suresh V Shah
(DIN: 01659809)
Managing Director

**Annexure 1****MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

We, the Board of Directors, present its analysis covering performance of the Company for the year 2019 - 2020 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**

Your Company has well defined and adequate internal controls and procedures, commensurate with its size and nature of its operations. This is further strengthened by the Internal Audit done concurrently.

Besides, the Company has an Audit Committee, comprising Non-Executive Directors, to monitor its financial systems, controls, management and operations.

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. The Company has achieved a turnover of Rs.20368.81 lakhs as compared to Rs. 18838.86 lakhs and has profit after tax Rs. 2594.63 lakhs as compared to Rs.2811.34 lakhs profit in the previous year.

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: 143

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:

PARTICULARS	2019-2020	2018-2019
A: Profitability ratios		
Operating Profit Margin	18%	20%
Net Profit Margin	13%	15%
Return on Equity	28%	43%
B. Ratio for Assessing Financial Health		
Capital Turnover Ratio	2.19	2.84
Fixed Assets Turnover Ratio	7.50	7.57
Inventory Turnover Ratio	5.79	5.16
Debtors Turnover Ratio	15.59	14.94
Operating Profit Margin Ratio	82%	80%
D: Earnings and dividend ratio		
Dividend percentage	20%	20%
Earnings per Share	60.92	68.21
P/E Ratio	2.86	4.61
Book Value Per share	217.64	67.52

**Reason for Increase / Decrease in Key Financial Ratios:****i. Decrease in Return on Equity (ROE):**

Since there is a reduction in Profit and also there is an increase in Paid-up Share capital, ROE is reduced.

ii. Decrease in Gross Profit & Net Profit Ratio:

The Prices during the year under review vis.a.vis sale price of camphor is reduced and import price of main Raw material has increased. This had an impact on the Profit margin. The contribution from other Finished goods also has reduced, which also had an impact on EPS.

iii. Decrease in Capital Turnover Ratio:

Consequent to reduction of sale price of camphor, a major sale component in turnover, there is a reduction in turnover. Also, the paid-up share capital has increased.

iv. Fixed Assets Turnover Ratio

The investment in Fixed Asset has gone up by 4.89%, whereas the turnover has reduced by 8% (due to reduction in sale price), there is a reduction in the ratio.

v. Inventory Turnover Ratio

The company has exercised precautionary measures in procurement of imported raw material, thus there is a reduction in holding level of inventories. However, the company ensured minimum stock levels for its uninterrupted production.

vi. Debtors Turnover Ratio

The company has phased out the credit facilities from the bank to bring it to Zero level, by ensuring prompt payment from Debtors.

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 & On Behalf of the Board

For **KANCHI KARPOORAM LIMITED**

Place: Chennai
Date: 24.08.2020

Dipesh S Jain
(DIN: 01659930)
Whole time Director

Suresh V Shah
(DIN: 01659809)
Managing Director



Annexure 2

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2020[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 and 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:

S. 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-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	17,65,100	-	17,65,100	42.61	19,30,345	-	19,30,345	45.32	2.71%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	17,65,100	-	17,65,100	42.61	19,30,345	-	19,30,345	45.32	2.71%
2. Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Bank / FI	-	-	-	-	-	-	-	-	-
e) Any other (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	17,65,100	-	17,65,100	42.61	19,30,345	-	19,30,345	45.32	2.71%
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	2,400	2,400	0.06	-	2,400	2,400	0.06	0.00%
b) Banks / FI	-	-	-	-	363	-	363	0.01	0.01%
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others - Alternate investment funds	1950	-	1950	0.04	-	-	-	-	(0.05) %
Sub-total (B)(1):-	1,950	2,400	4,350	0.10	363	2,400	2,763	0.07	(0.04)%
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	90,682	32,600	1,23,282	2.98	57,981	32,600	90,581	2.13	(0.85)%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	10,18,419	4,41,405	14,59,824	35.24	9,53,793	3,58,005	13,11,798	30.80	(4.44)%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3,76,714	32,000	4,08,714	9.87	5,04,047	32,000	5,36,047	12.58	2.72%



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others - INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	1,90,850	-	1,90,850	4.61	1,88,850	-	1,88,850	4.43	(0.17)%
Non Resident Indians	35,818	93,300	1,29,118	3.11	30,298	92,800	1,23,098	2.89	(0.23)%
HUF	54,650	-	54,650	1.32	72,437	-	72,437	1.70	0.38%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	6312	-	6,312	0.15	3,131	-	3,131	0.08	(0.08)%
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	17,73,445	5,99,305	23,72,750	57.28	18,10,537	5,15,405	23,25,942	54.61	(2.67)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	17,75,395	6,01,705	23,77,100	57.39	18,10,900	5,17,805	23,28,705	54.68	(2.71)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	35,40,495	6,01,705	41,42,200	100	37,41,245	5,17,805	42,59,050	100	0.00

ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2019]			Share holding at the end of the year [As on 31-March-2020]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Suresh V Shah	337300	8.14%	0.00%	409892	9.62%	0.00%	1.70%
2	Varshaa Goal	318400	7.69%	0.00%	318400	7.48%	0.00%	0.00%
3	Pushpa S Jain	313700	7.57%	0.00%	354953	8.33%	0.00%	0.97%
4	Dipesh Suresh Jain	212850	5.14%	0.00%	258750	6.08%	0.00%	1.08%
5	Arun V Shah	178050	4.30%	0.00%	178050	4.18%	0.00%	0.00%
6	V.M.Goal	136500	3.30%	0.00%	136500	3.20%	0.00%	0.00%
7	Lata A Shah	89500	2.16%	0.00%	89500	2.10%	0.00%	0.00%
8	Madhu J Shah	66000	1.59%	0.00%	66000	1.55%	0.00%	0.00%
9	Jitendra V Shah	38000	0.92%	0.00%	38000	0.89%	0.00%	0.00%
10	K.C Radhakrishnan	30300	0.73%	0.00%	30300	0.71%	0.00%	0.00%
11	Soniya A	30000	0.72%	0.00%	30000	0.70%	0.00%	0.00%
12	Veer Chand D Shah HUF	0.00	0.00	0.00%	0.00	0.00	0.00%	0.00%
13	Kavita Jain	14500	0.35%	0.00%	20000	0.47%	0.00%	0.13%


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

Sl No	Name of the Share holder	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	V SURESH				
	At the beginning of the year 01-Apr-2019	337300	8.14	337300	8.14
	Increase 22-Nov-2019	12950	0.30	350250	8.22
	Increase 06-Dec-2019	44000	1.03	394250	9.26
	Increase 20-Mar-2020	7885	0.18	402135	9.44
	Increase 27-Mar-2020	2956	0.07	405091	9.51
	Increase 31-Mar-2020	4801	0.11	409892	9.62
	At the end of the Year 31-Mar-2020	409892	9.62	409892	9.62
2	VARSHAA GOAL				
	At the beginning of the year 01-Apr-2019	318400	7.69	318400	7.69
	At the end of the Year 31-Mar-2020	318400	7.48	318400	7.48
3	PUSHPA S JAIN				
	At the beginning of the year 01-Apr-2019	313700	7.57	313700	7.57
	Increase 26-Jul-2019	32753	0.77	346453	8.13
	Increase 15-Nov-2019	8500	0.20	354953	8.33
	At the end of the Year 31-Mar-2020	354953	8.33	354953	8.33
4	DIPESH SURESH JAIN				
	At the beginning of the year 01-Apr-2019	212850	5.14	212850	5.14
	Increase 22-Nov-2019	18500	0.43	231350	5.43
	Increase 06-Dec-2019	27400	0.64	258750	6.07
	At the end of the Year 31-Mar-2020	258750	6.08	258750	6.08
5	ARUN V SHAH				
	At the beginning of the year 01-Apr-2019	178050	4.30	178050	4.30
	At the end of the Year 31-Mar-2020	178050	4.18	178050	4.18
6	V M GOAL				
	At the beginning of the year 01-Apr-2019	136500	3.29	136500	3.29
	At the end of the Year 31-Mar-2020	136500	3.20	136500	3.20
7	LATA A SHAH				
	At the beginning of the year 01-Apr-2019	89500	2.16	89500	2.16
	At the end of the Year 31-Mar-2020	89500	2.10	89500	2.10
8	MADHU J SHAH				
	At the beginning of the year 01-Apr-2019	66000	1.59	66000	1.59
	At the end of the Year 31-Mar-2020	66000	1.55	66000	1.55



Sl No	Name of the Share holder	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
9	JITENDRA V SHAH				
	At the beginning of the year 01-Apr-2019	38000	0.91	38000	0.91
	At the end of the Year 31-Mar-2020	38000	0.89	38000	0.89
10	RADHAKRISHNAN K C JT1 : SEETHALAKSHMI				
	At the beginning of the year 01-Apr-2019	30300	0.73	30300	0.73
	At the end of the Year 31-Mar-2020	30300	0.71	30300	0.71
11	SONIYA				
	At the beginning of the year 01-Apr-2019	30000	0.72	30000	0.72
	At the end of the Year 31-Mar-2020	30000	0.70	30000	0.70
12	KAVITA JAIN				
	At the beginning of the year 01-Apr-2019	14500	0.35	14500	0.35
	Increase 15-Nov-2019	5500	0.13	20000	0.47
	At the end of the Year 31-Mar-2020	20000	0.47	20000	0.47

iv) Share holding Pattern of top ten Share holders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	Name of the Share holder	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	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	66000	1.55	66000	1.55
	At the beginning of the year 01-Apr-2019	190850	4.61	190850	4.61
	Sale 03-May-2019	-100	0.00	190750	4.48
	Sale 24-May-2019	-100	0.00	190650	4.48
	Sale 28-Jun-2019	-200	0.00	190450	4.47
	Sale 13-Sep-2019	-200	0.00	190250	4.47
	Sale 29-Nov-2019	-100	0.00	190150	4.46
	Sale 06-Dec-2019	-300	0.01	189850	4.46
	Sale 27-Dec-2019	-100	0.00	189750	4.45
	Sale 24-Jan-2020	-100	0.00	189650	4.45
	Sale 14-Feb-2020	-400	0.01	189250	4.44
	Sale 13-Mar-2020	-400	0.01	188850	4.43
	At the end of the Year 31-Mar-2020	188850	4.43	188850	4.43
2	ROOP CHAND BETALA JT1 : RATNA BETALA				
	At the beginning of the year 01-Apr-2019	90000	2.17	90000	2.17
	At the end of the Year 31-Mar-2020	90000	2.11	90000	2.11



Sl No	Name of the Share holder	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
3	SURENDRA KUMAR SHAH*				
	At the beginning of the year 01-Apr-2019	32753	0.79	32753	0.79
	Sale 26-Jul-2019	-32753	0.77	0	0.00
	Purchase 21-Feb-2020	860	0.02	860	0.02
	At the end of the Year 31-Mar-2020	860	0.02	860	0.02
4	BLUE CIRCLE SERVICES LTD				
	At the beginning of the year 01-Apr-2019	31000	0.75	31000	0.75
	At the end of the Year 31-Mar-2020	31000	0.73	31000	0.73
5	LINCOLN P COELHO JT1 : KIRAN S COELHO				
	At the beginning of the year 01-Apr-2019	30000	0.72	30000	0.72
	At the end of the Year 31-Mar-2020	30000	0.70	30000	0.70
6	CHANDNI SHARMA				
	At the beginning of the year 01-Apr-2019	25900	0.62	25900	0.62
	At the end of the Year 31-Mar-2020	25900	0.61	25900	0.61
7	PRAKASH BALADEVBHAI PATEL				
	At the beginning of the year 01-Apr-2019	25748	0.62	25748	0.62
	Purchase 31-May-2019	304	0.05	26052	0.61
	Purchase 02-Aug-2019	250	0.01	26302	0.62
	At the end of the Year 31-Mar-2020	26302	0.62	26302	0.62
	HAVING SAME PAN				
7	PRAKASHKUMAR BALDEVBHAI PATEL#				
	At the beginning of the year 01-Apr-2019	0	0.00	0	0.00
	Purchase 13-Mar-2020	100	0.00	100	0.00
	At the end of the Year 31-Mar-2020	100	0.00	100	0.00
8	UDAY R SHAH (HUF)				
	At the beginning of the year 01-Apr-2019	22900	0.55	22900	0.55
	Sale 05-Apr-2019	-22900	0.54	0	0.00
	Purchase 24-May-2019	22900	0.54	22900	0.54
	At the end of the Year 31-Mar-2020	22900	0.55	22900	0.54
9	ANKUSH KEDIA*				
	At the beginning of the year 01-Apr-2019	21000	0.51	21000	0.51
	Sale 19-Apr-2019	-1000	0.02	20000	0.47
	Sale 17-May-2019	-5000	0.12	15000	0.35
	Sale 31-May-2019	-15000	0.35	0	0.00
	At the end of the Year 31-Mar-2020	0	0.00	0	0.00
10	SHANTILAL GANDHI				
	At the beginning of the year 01-Apr-2019	20600	0.50	20600	0.50
	At the end of the Year 31-Mar-2020	20600	0.48	20600	0.48
	NEW TOP 10 AS ON (31-Mar-2020)				



Sl No	Name of the Share holder	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
11	RAMKALA KANODIA**				
	At the beginning of the year 01-Apr-2019	0	0.00	0	0.00
	Purchase 21-Jun-2019	21639	0.51	21639	0.51
	Purchase 28-Jun-2019	9600	0.22	31239	0.73
	Purchase 05-Jul-2019	4361	0.10	35600	0.83
	Purchase 19-Jul-2019	4000	0.09	39600	0.93
	Purchase 26-Jul-2019	3878	0.09	43478	1.02
	Purchase 02-Aug-2019	5688	0.13	49166	1.15
	Purchase 09-Aug-2019	3067	0.07	52233	1.23
	Purchase 16-Aug-2019	4089	0.09	56322	1.32
	Purchase 06-Mar-2020	4580	0.11	60902	1.43
	Purchase 13-Mar-2020	15420	0.36	76322	1.79
	Purchase 20-Mar-2020	4305	0.10	80627	1.89
	Purchase 27-Mar-2020	2219	0.05	82846	1.94
	At the end of the Year 31-Mar-2020	82846	1.94	82846	1.94
12	JITHENDRA KUMAR ROOPCHAND**				
	At the beginning of the year 01-Apr-2019	0	0.00	0	0.00
	Purchase 07-Jun-2019	13329	0.31	13329	0.31
	Purchase 14-Jun-2019	12046	0.28	25375	0.59
	Purchase 21-Jun-2019	4416	0.10	29791	0.70
	Purchase 28-Jun-2019	572	0.01	30363	0.71
	Purchase 05-Jul-2019	203	0.00	30566	0.72
	Purchase 12-Jul-2019	610	0.01	31176	0.73
	Purchase 19-Jul-2019	122	0.00	31298	0.73
	Purchase 26-Jul-2019	2246	0.05	33544	0.79
	Purchase 02-Aug-2019	2080	0.05	35624	0.84
	At the end of the Year 31-Mar-2020	35624	0.84	35624	0.84
13	DHANRAJ DEVICHAND**				
	At the beginning of the year 01-Apr-2019	0	0.00	0	0.00
	Purchase 31-May-2019	14300	0.33	14300	0.33
	Purchase 07-Jun-2019	9857	0.23	24157	0.57
	Purchase 14-Jun-2019	4000	0.09	28157	0.66
	At the end of the Year 31-Mar-2020	28157	0.66	28157	0.66

* Ceased to be in the list of Top 10 Shareholders as on 31.03.2020. The same is reflected above since the Shareholder was one of the Top 10 Shareholder as on 01.04.2019

** Not in the list of Top 10 Shareholders as on 01.04.2019. The same has been reflected above since the Shareholder was one of the Top 10 Shareholder as on 31.03.2020.

Included in Top 10 Shareholders as he have same PAN



v) Shareholding of Directors and Key Managerial Personnel:

SI 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	178050	4.30	178050	4.30
	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	313700	7.57	313700	7.57
	K. C. Radhakrishnan	30300	0.73	30300	0.73
	A. Priyanka*	0	0	0	0
	J.R. Vishnu Varthan**	0	0	0	0
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):				
	Suresh Shah				
	Increase 22-Nov-2019	12950	0.30		
	Increase 06-Dec-2019	44000	1.03		
	Increase 20-Mar-2020	7885	0.19		
	Increase 27-Mar-2020	2956	0.07		
	Increase 31-Mar-2020	4801	0.11		
	Dipesh S Jain				
	Increase 22-Nov-2019	18500	0.43		
	Increase 06-Dec-2019	27400	0.64		
	Pushpa Suresh Jain				
	Increase 26-Jul-2019	8500	0.20		
	Increase 15-Nov-2019	32753	0.77		
3	At the end of the year				
	Suresh Shah	409892	9.62	409892	9.62
	Dipesh Suresh Jain	258750	6.08	258750	6.08
	Arun V Shah	178050	4.18	178050	4.18
	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	354953	8.33	354953	8.33
	K. C. Radhakrishnan	30300	0.71	30300	0.71
	A.Priyanka*	0	0	0	0
	J.R. Vishnu Varthan**	0	0	0	0

* Resigned on 31st July 2019. The same is reflected above since the individual was one of the Key Managerial Personnel as on 01.04.2019.

** Appointed on 22nd August 2019.



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	21.49	-	-	21.49
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	21.49	-	-	21.49
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	(12.01)	-	-	(12.01)
Net Change	(12.01)	-	-	(12.01)
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	9.48	-	-	9.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	9.48	-	-	9.48

vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Suresh V 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	50.60	36.08	27.81	114.49
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.99	3.43	-	7.42
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission (Proposed) - as % of profit - others, specify...	119.00	75.00	45.00	239.00
5.	Others, please specify				
	Employers contribution to PF	0.22	0.22	0.22	0.66
	Total (A)	173.81	114.73	73.03	361.57
	Ceiling as per the Act	Rs. 364.23 lakhs/- (being 10% of net profits of the Company calculated as per Section 198 of Companies Act, 2013)			



B. Remuneration to other directors:

(In lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	S. Srinivasan	Narasimhan Raghu	K. Venkateswaran	
	Fee for attending board committee meetings	0.73	0.77	0.73	2.23
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	0.73	0.77	0.73	2.23
2	Other Non-Executive Directors	Pushpa S Jain			
	Fee for attending board committee meetings	0.30	-	-	0.30
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	0.30	-	-	0.30
	Total (B)=(1+2)	1.03	0.77	0.73	2.53
	Overall Ceiling as per the Act	Rs. 36.42 lakhs/- (being 1% 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

(In lakhs)

Sl. No.	Particulars of Remuneration	CFO	Company Secretary		Total
		K.C. Radhakrishnan	A. Priyanka*	J.R. Vishnu Varthan**	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36.00	1.95	5.36	43.31
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.48	-	-	3.48
	(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	0.22	0.07	0.14	0.43
	Total (A)	39.70	2.02	5.50	47.22

*Resigned on 31.07.2019 ** Appointed on August 2019



viii) 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			NIL		
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

*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
2	Nature of relationship	Director have significant influence
3	Nature of contracts/arrangements/transaction	Sale of Camphor, Gum Rosin, Turpentine and its derivatives
4	Duration of the contracts/arrangements/ transaction	01.04.2019 - 31.03.2020
5	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Goods 2,017.49/-
6	Justification for entering into such contracts or arrangements or transactions'	Transactions in ordinary course of business and on Arm's Length Basis
7	Date of approval by the Board	25.07.2019
8	Amount paid as advances, if any	NIL



Annexure-4

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

Particulars	01.04.2018 to 31.03.2019	01.04.2017 to 31.03.2018
1. Power and Fuel Consumption		
Electricity		
a. Purchase :		
Unit	17,51,900	15,13,976
Total Amount (Rs.)	1,35,64,469	1,15,69,779
Rate/Unit (Rs.)	7.74	7.64
b. Own Generation		
(I) Through Diesel Generator :		
Unit	48,316	40,105
Unit per lit of diesel oil	2.88	2.90
Cost / Unit	24.43	25.20
(ii) Through Steam Turbine / Generator:		
Unit	NA	NA
Cost / Unit		
2. Cost / Unit		
Coal (Specify quality and where used)	NA	NA
3. Unit / Cost		
Furnace Oil :		
Quantity (M.T.)	16,346	8,770
Total Amount	5,88,953	2,38,632
Average rate (Rate per MT)	36,030	27,210
4. Others / Internal Generation		
Quantity		
Total cost	NA	NA
Rate / Unit		

Foreign Exchange Earnings & Outgo

Your company has also earned foreign exchange of Rs. 591.50 Lakhs through exports. The total Foreign Exchange utilized by the company during the year for the purchase of Raw Materials and others was Rs. 12029.38 Lakhs.

For & On Behalf of the Board
For **KANCHI KARPOORAM LIMITED**

Place: Chennai
Date: 24.08.2020

Dipesh S Jain
(DIN: 01659930)
Whole time Director

Suresh V Shah
(DIN: 01659809)
Managing Director

**REPORT ON CSR ACTIVITIES FOR THE YEAR 2019-2020**

1. CSR policy, encompasses the company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities / projects and programmes for welfare and sustainability, development of community at large and is titled "Corporate Social Responsibility Policy". The same is available in the Company's website in the following link <http://www.kklgroup.in/admin/pdfupload/csr%20policy.pdf>

2. Composition of CSR Committee

Member	Designation
Mr. Suresh V Shah	Chairman
Mr. Dipesh S Jain	Member
Mr. Narasimhan Raghu	Member

3. Average Net Profit of the Company for last three preceding financial years:

Net Profits	Amount (Rs. Lakhs)
For FY 2016-17	469.94
For FY 2017-18	2306.75
For FY 2018-19	4121.07
Total	6897.76
Average of the Net Profit of Last 3 Years	2299.25
2% of Average Net Profit of Last 3 Years	45.99

4. Prescribed CSR Expenditure (2% of the average Net Profit for last three Financial Years):

The Prescribed CSR liability for Financial Year 2019-2020 was Rs. 45.99 Lakhs

Further unspent CSR liability till financial year 2018-19 of Rs. 18.05 Lakhs was carried forward to Financial Year 2019-20

Accordingly, total prescribed CSR budget for Financial Year 2019-20 was Rs. 64.04 Lakhs.

5. Details of Actual CSR spent during the year the Financial year 2019-20:

- The total amount spent on the CSR activities during the Financial Year: Rs.12.43 Lakhs.
- Details of unspent Amount for the Financial year 2019-20: Rs. 45.99 Lakhs.
- Manner in which the amount was spent:

**Details of CSR Amount spent as on 31 March, 2020**

S. No	CSR Project of Activity Identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and district where the project is undertaken	Amount Outlay (Budget) project of program wise	Amount spent on the project or program	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementation agency
1	2	3	4	5	6	7	8
1	Public Welfare	Prime Minister's Citizen Assistance & Relief in Emergency Situation Fund	Chennai	-	5.00	5.00	Direct
2	Public Welfare	State Disaster Management Authority Fund	Kancheepuram	-	5.00	5.00	Direct
3	Health	Health care and health camps	Chennai	-	2.43	2.43	Direct

6. Justification for unspent money out of 2% of the average net profit of the last 3 financial years

As part of ongoing initiatives, the Company has involved in Environmental activities, health care activities, Prevention of COVID-19 pandemic by contributing towards Prime Minister Citizen Assistance & Relief in Emergency Situation Fund (PM CARES) and State Disaster Management Authority Fund. You Company also provides health care facilities to families in and around the factory's location.

The Company's spend on CSR is stated to be Rs. 12.43 Lakhs during the year under review. The Company has made arrangements to open an escrow account and transfer the unspent amount for the FY 2019-20. Company shall continue to evaluate and deploy the resources in the above said Escrow account to CSR activities in a structured manner towards its stated objectives on CSR by Identifying nearby villages and provide better sanitation facility, better Road facility, Rain water harvesting and water shed in villages and health care of people of BPL.

The Company has prioritized its approach on CSR Expenditure, with an objective that the benefits from CSR reach the targeted segments and in turn would help in improving the brand and social responsibility of the Company. The year under review did witness an increase in CSR spends and shall continue to work on committing more resources to identified causes.

The funds available for CSR deployment, the CSR Committee along with the Board has decided to carry forward the unspent amount for ongoing projects to next Financial Year. The Company is also confident in spending CSR financial commitment in the ensuing Financial Year.

7. Responsibility Statement of the CSR Committee:

The CSR Committee hereby confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and CSR policy of the Company.

For & On Behalf of the Board

For **KANCHI KARPOORAM LIMITED**

Place: Chennai
Date: 24.08.2020

Dipesh S Jain
(DIN: 01659930)
Whole time Director

Suresh V Shah
(DIN: 01659809)
Managing Director



Annexure-6

**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	Mr. Suresh V Shah	Managing Director	19.41
2	Mr. Dipesh S Jain	Whole-time Director	13.84
3	Mr. Arun V Shah	Whole-time Director	10.67
4	Mrs. Pushpa S Jain	Non Executive Director	0.12
5	Mr. Srinivasan	Independent Director	0.28
6	Mr. Narasimhan Raghu	Independent Director	0.30
7	Mr. Venakateshwaran	Independent Director	0.28

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

Sl. No.	Name	Designation	%
1	Mr. Suresh V Shah	Managing Director	44.13%
2	Mr. Dipesh S Jain	Whole-time Director	43.83%
3	Mr. Arun V Shah	Whole-time Director	20.84%
4	Mrs. Pushpa S Jain	Non Executive Director	100.00%
5	Mr. Srinivasan	Independent Director	31.82%
6	Mr. Narasimhan Raghu	Independent Director	40.91%
7	Mr. Venakateshwaran	Independent Director	31.82%
8	Mr. K. C. Radhakrishnan	Chief Financial Officer	12.87%
9	J. R. Vishnu Varthan	Company Secretary	N.A.

3. The percentage increase in the median remuneration of employees in the financial year: 26.31%
4. The number of permanent employees on the rolls of company: 143
5. 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 26.31% and the average increase in the managerial remuneration is 30.42%

6. If remuneration is as per the remuneration policy of the company: Yes
7. Information as Per Rule 5(2) OF Chapter XIII, Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014:

A statement showing names of the employees, age, designation, drawing remuneration, nature of employment, qualification, experience, date of commencement of employment, last employment, and other particulars in terms of the said Rules is available for inspection at the Registered Office of the Company during working hours and any member who is interested in obtaining these particulars may write to the Company Secretary of the Company via email: secretarial@kklgroup.in



CORPORATE GOVERNANCE REPORT

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 behavior 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

• Composition and size of the Board

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, 2020, 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 a Non - Executive Independent 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. S. Srinivasan, Non - Executive Independent Director. Policy formulation, evaluation of performance and control functions vest with the Board.

• Board Meeting and Attendance

Board meeting are conveyed by giving appropriate notice to address the Company's specific needs.

During the year 12 (Twelve) 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.	06.04.2019	7	7
2.	27.05.2019	7	7
3.	22.06.2019	7	7
4.	09.07.2019	7	7
5.	25.07.2019	7	7
6.	13.08.2019	7	6
7.	22.08.2019	7	7
8.	13.09.2019	6	6
9.	22.10.2019	6	6
10.	09.11.2019	7	7
11.	12.02.2020	7	7
12.	09.03.2020	7	7



Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM), and the number of Directorship, Membership and Chairmanship in Committees of other companies are given below:

Name of the Director	Designation & Category	No. of Board Meetings in the year		Attendance of Last AGM	No. of Outside Directorships	No. of outside Board Committee Memberships	
		Held	Attended			Member	Chairman
Mr. Suresh V Shah	Managing Director, Executive	12	11	Yes	NIL	0	0
Mr. Dipesh S Jain	Whole-Time Director, Executive	12	12	Yes	NIL	0	0
Mr. Arun V Shah**	Additional Director, Executive	12	10	Yes	NIL	0	0
Mr. S. Srinivasan	Independent Director	12	12	Yes	NIL	0	0
Mr. Narasimhan Raghu	Independent Director	12	12	Yes	NIL	0	0
Mr. K. Venkateswaran	Independent Director	12	12	Yes	1	3	0
Mrs. Pushpa S Jain	Non-Executive Director	12	12	Yes	NIL	0	0

* The Directorships and membership in Committee held by the Directors as mentioned above do not include Kanchi Karpooram Limited, and Alternate Directorships and Directorships of Foreign Companies and Private Limited Companies.

** Mr. Arun V Shah ceases to be a Whole Time Director on 09.09.2019 and appointed as Additional Director w.e.f. 22.10.2019

Mr. Suresh V Shah, Mr. Dipesh S Jain, Mr. Arun V Shah and Mrs. Pushpa S Jain are related to each other and none of the other Directors of the Company are, inter-se, related to each other.

Details of Directorship in other Listed entities as on March 31, 2020

Name of the Director	Name of the Listed Entity	Category
Mr. Suresh V Shah	-	-
Mr. Dipesh S Jain	-	-
Mr. Arun V Shah	-	-
Mr. S. Srinivasan	-	-
Mr. Narasimhan Raghu	-	-
Mr. K. Venkateswaran	Pace Automation Limited	Independent Director
Mrs. Pushpa S Jain	-	-

In terms of the requirement of the Listing Regulations, the Board has identified the core skills/ expertise/ competencies of the Directors in the context of the Company's business for effective functioning and as available with the Board. These are as follows:



Name	Governance Practices	Corporate Strategy	Financial Management	Business Strategy	General Management
Mr. Suresh V Shah	✓	✓	✓	✓	✓
Mr. Dipesh S Jain	✓	✓	✓	✓	✓
Mr. Arun V Shah	✓	✓	✓	✓	✓
Mr. S. Srinivasan	✓	✓	✓	✓	✓
Mr. Narasimhan Raghu	✓	✓	✓	✓	✓
Mr. K. Venkateswaran	✓	✓	✓	✓	✓
Mrs. Pushpa S Jain	✓	✓			✓

- Independent Directors Meeting**

A Meeting of the Independent Directors was held on 04.03.2020 which was attended by all the Independent Directors. The Independent Directors have evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Company. The Board was briefed on the deliberations made at the Independent Directors Meeting. The details of the Familiarization Program imparted to Independent Directors of the Company are available on website of the Company at http://www.kklgroup.in/investor_info.php.

4. AUDIT COMMITTEE

The Audit Committee has been constituted as required under Section 177 of the Act and Regulation 18 of the SEBI (LODR) Regulations.

- 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.

- Composition, Meetings and Attendance**

The Audit Committee of the Company comprises of three Independent Directors. The Audit Committee met seven (7) times during the financial year 2019 – 2020 i.e. on 06.04.2019, 27.05.2019, 25.07.2019, 13.08.2019, 22.08.2019, 09.11.2019, 12.02.2020. Attendance and other details of the Audit Committee are as follows:

Sl. No.	Name of the Director	Position	No. Meetings	
			Held	Attended
1.	Mr. K. Venkateswaran	Chairman	7	7
2.	Mr. S. Srinivasan	Member	7	7
3.	Mr. Narasimhan Raghu	Member	7	7

The Company Secretary is the Secretary of the Committee. Chief Financial Officer, Statutory Auditors are the invitees to the Audit Committee Meetings.

**5. STAKE HOLDERS RELATIONSHIP COMMITTEE**

- 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, 2020.

- Composition, Meetings and Attendance**

The Stake Holders' Relationship Committee of the Company comprises of three Independent Directors. The Committee met seven times during the financial year 2019 – 2020 i.e. on 12.06.2019, 02.07.2019, 17.07.2019, 03.10.2019, 29.10.2019, 21.11.2019, 03.02.2020. 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.	Mr. S. Srinivasan	Chairman	7	7
2.	Mr. Narasimhan Raghu	Member	7	7
3.	Mr. K. Venkateswaran	Member	7	7

- During the year, the Company had received 03 complaints from the investors and all of them were resolved satisfactorily. There were no complaints pending at the end of the financial year.

6. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors of the Company was constituted in compliance with provisions of Section 178 of the Companies Act, 2013 ("the Act") and in terms of Regulation 19 of SEBI (LODR) Regulations, 2015.

- 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.

- Composition, Meetings and Attendance**

The Nomination and Remuneration Committee of the Company comprises of three Independent Directors. The Committee met two times during the financial year 2019 – 2020 i.e on 25.07.2019 and 22.10.2019. 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.	Mr. Narasimhan Raghu	Chairman	2	2
2.	Mr. S. Srinivasan	Member	2	2
3.	Mr. K. Venkateswaran	Member	2	2

The Remuneration Policy of your Company is available in the website of the company in the link http://www.kklgroup.in/investor_info.php.



- **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. There are no any pecuniary relationships or transactions between the Company and Non – Executive Directors except Mrs. Pushpa S Jain, who is a promoter.

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

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

Sl. No.	Name	Category	Sitting Fees paid for the year (In Rs.)
1.	Mr. S. Srinivasan	Independent Director	72,500
2.	Mr. Narasimhan Raghu	Independent Director	77,500
3.	Mr. K. Venkateswaran	Independent Director	72,500
4.	Mrs. Pushpa S Jain	Non-Executive (Women) Director	30,000

B. Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Managing Director and Whole-time Director is governed by the recommendation of the Remuneration & Nomination Committee. The remuneration package of 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 Company has three Executive Directors. The details of remuneration paid to the Executive Directors during the year 2019 – 2020 as under:

(In lakhs)

Sl. No.	Name	Designation	Salary	Perquisites	Commission*	Total
1.	Mr. Suresh V Shah	Managing Director	50.60	3.99	119.00	173.59
2.	Mr. Dipesh S Jain	Whole-time Director	36.08	3.43	75.00	114.51
3.	Mr. Arun V Shah	Additional Director	27.81	-	45.00	72.81

* Proposed

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

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. The Remuneration Policy of your Company is available in the website of the company in the link http://www.kklgroup.in/investor_info.php.

C. 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.

• **Details of Shareholding of Directors As On 31st March 2020:**

Name of the Director	No. of Shares
Mr. Suresh V Shah	4,09,892
Mr. Dipesh S Jain	2,58,750
Mr. Arun V Shah	1,78,050
Mr. S. Srinivasan	Nil
Mr. Narasimhan Raghu	Nil
Mr. K. Vekateswaran	Nil
Mr. Pushpa S Jain	3,54,953

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

• **Terms of Reference**

- 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;
- Recommend the amount of expenditure to be incurred on the activities referred to in point (i) above;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.
- To formulate policies and procedures based on the requirements of SEBI.
- To ensure effective communication of all the policies to all relevant stakeholders.

• **Composition, Meetings and Attendance**

The Corporate social responsibility Committee of the Company comprises of three Directors. The Committee meet twice during the financial year 2019-2020 i.e. on 30.12.2020 and 29.03.2020. 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.	Mr. Suresh V Shah	Chairman	2	2
2.	Mr. Dipesh S Jain	Member	2	2
3.	Mr. Narasimhan Raghu	Member	2	2

8. GENERAL BODY MEETINGS:

Location and date / time for last three Annual General Meetings were:

Year	Date	Time	Venue
2016-2017	28.09.2017	11.00 AM	MM. Hotels, No.65/66, Nellukara Street, Kanchipuram - 631 052
2017-2018	27.09.2018	11.00 AM	MM. Hotels, No.65/66, Nellukara Street, Kanchipuram - 631 052
2018-2019	09.09.2019	11.00 AM	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 at the ensuing Annual General Meeting.

9. 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.

10. RECONCILIATION OF SHARE CAPITAL AUDIT

Share Capital Audit was conducted by a Practicing 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.

11. 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 "Makkal Kural" and are displayed on the Company's website (www.kklgroup.in).
- **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.kklgroup.in) contains a separate dedicated section where shareholders information is available.

12. 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. 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 except the following instances.
 - i. Whereas in terms of the Regulation- 108(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding delayed submission of Listing application for the shares allotted the Company has received notices of penalty in this regard from the Stock Exchange.
 - ii. Whereas in terms of the Regulation- 19(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding composition of Nomination Remuneration Committee, the Company has received notices of penalty in this regard from the Stock Exchange.



- **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 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 Managing Director and the Chief Financial Officer of the Company have given a Certificate to the Board as contemplated in Regulation 17 of the Listing Regulations.
- **Details of Auditor's Remuneration**

Total Fees for all services paid by the listed entity on a consolidated basis to the Statutory Auditor 5 lakhs.

iii. GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting (Date and Time), Book Closure Dates	E-Annual General Meeting has been fixed on Friday, the 25th September 2020. Book Closure starts from 19.09.2020 to 25.09.2020 (both days inclusive).
Financial Year	1st April to 31st March
Date of Payment of Dividend	Between 25th September, 2020 to 24th October 2020
Rate of Dividend	Proposed Dividend: Rs. 1/- per share (10%), subject to approval by members at the AGM.
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 2020-2021
BSE Stock Code	538896
ISIN	INE081G01019
Corporate Identification Number (CIN)	L30006TN1992PLC022109
Details of Plant Locations & Address for Correspondence	a. Parandur Road, Enathur Village, Karaipettai Post, Kanchipuram 631552
	b. No.1, Barnaby Avenue, Barnaby Road, Kilapuk, Chennai 600100
FINANCIAL CALENDAR (Tentative)	
30th June 2020	within 45 days of the end of the quarter
30th September 2020	within 45 days of the end of the quarter
31st December 2020	within 45 days of the end of the quarter
31st March 2021	within 60 days of the end of the quarter


iv. STOCK MARKET PRICE DATA

Month	BSE Ltd		Sensex	
	High (in Rs,)	Low(in Rs,)	High (in Rs,)	Low(in Rs,)
April - 2019	350.95	314.50	39,487.45	38,460.25
May - 2019	374.90	280.80	40,124.96	36,956.10
June – 2019	297.00	264.05	40,312.07	38,870.96
July – 2019	288.95	210.10	40,032.41	37,128.26
August – 2019	299.45	227.05	37,807.55	36,102.35
September – 2019	315.00	250.00	39,441.12	35,987.80
October – 2019	291.90	253.00	40,392.22	37,415.83
November – 2019	304.90	260.00	41,163.79	40,014.23
December – 2019	285.00	251.00	41,809.96	40,135.37
January – 2020	284.00	255.00	42,273.87	40,476.55
February – 2020	283.00	191.05	41,709.30	38,219.97
March - 2020	215.00	125.00	39,083.17	25,638.90

v. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH 2020

Sl. No.	Holding	No. of Shareholders		No. of Shares	
		Number	% of Total	Shares	% of Total
1	1 - 1000	4933	94.41	720689	16.92
2	1001 - 5000	214	4.09	479724	11.26
3	5001 - 10000	39	0.75	296950	6.97
4	10001 - 20000	17	0.33	269163	6.32
5	20001 - 30000	7	0.13	183859	4.32
6	30001 - 40000	4	0.08	134924	3.17
7	40001 - 50000	0	0.00	0	0.00
8	50001 - 100000	4	0.08	328346	7.71
9	100001 and Above	7	0.13	1845395	43.33
	Total	5225	100	4259050	100

vi. CATEGORY WISE SHAREHOLDING PATTERN AS ON 31st MARCH 2020

Sl. No.	Category	No. of Shares	% of Holding
1	Resident	1847845	43.40
2	NRI	123098	2.89
3	Corporate Body	90581	2.13
4	Clearing Member	3131	0.07
5	Mutual Funds	2400	0.06
6	HUF	72437	1.70
7	Financial Institutions/ Banks	363	0.00
8	IEPF	188850	4.43
9	Promoters	1930345	45.32
	Total	4259050	100

**vii. DEMATERIALIZATION OF SHARES**

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

Particulars	No. of Shares	Percentage
CDSL	25,39,345	59.62
NSDL	12,01,900	28.22
Physical	5,17,805	12.16
Total	42,59,050	100.00

viii. 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. Their contact details are provided below.

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

ix. SHARE TRANSFER SYSTEM

The Shares received for transfer are registered within 15 days of receipt of the document (if it is in order). 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., agm@cameoindia.com

x. DIVIDEND DECLARED FOR LAST 10 YEARS

Sl. No.	Financial Year	Dividend Per Share Rs.
1	2009 - 2010	-
2	2010 - 2011	1.0/-
3	2011 - 2012	-
4	2012 - 2013	1.5/-
5	2013 - 2014	1.5/-
6	2014 - 2015	0.5/-
7	2015 - 2016	1.5/-
8	2017 - 2018	2.0/-
9	2018 - 2019	2.0/-
10	2019 - 2020 Interim	2.0/-
11	2019 - 2020 Final*	1.0/-

*proposed dividend

**xi. 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.kklgroup.in). 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.

xii. 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, since the Company has not paid any Dividend during the FY 2011-2012, the need for transferring the unclaimed and unpaid dividends and shares does not arise.

xiii. 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. Three (3) Shareholder’s complaint has been received and the same have been resolved within due dates.

xiv. 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 2019– 2020.

xv. 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 un-published price sensitive information and to prevent the misuse of such information. The policy is also posted on the website of the Company.

xvi. COMPLIANCE OFFICER DETAILS AND ADDRESS FOR CORRESPONDANCE

Mr. J. R. Vishnu Varthan

Company Secretary

Correspondence Address: No.1, Barnaby Avenue, Barnaby Road, Kilpauk, Chennai – 600 010

Phone No. 044-26401914/15/16/17, email: secretarial@kklgroup.in

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

For & On Behalf of the Board

For **KANCHI KARPOORAM LIMITED**

Place: Chennai
Date: 24.08.2020

Dipesh S Jain
(DIN: 01659930)
Whole time Director

Suresh V Shah
(DIN: 01659809)
Managing Director

*Annexure-8***Form No. MR-3****SECRETARIAL AUDIT REPORT****FINANCIAL YEAR ENDED 31st MARCH, 2020**

[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, 2020, 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, 2020 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) 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;
 - e) 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

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, Standards, etc. mentioned above except to the extent as mentioned below:

- i. *Whereas in terms of the Regulation- 108(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding delayed submission of Listing application for the shares allotted. Company has also received notices of penalty in this regard from the Stock Exchange.*
- ii. *Whereas in terms of the Regulation- 19(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding composition of Nomination Remuneration Committee, the Company has received notices of penalty in this regard from the Stock Exchange.*

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions 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, 71400 warrants had been converted into 71,400 equity shares on 13th September 2019 out of 2,22,220 warrants which was allotted on preferential basis at the Board Meeting held 05th November 2018. Apart from the above, 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

Signature

Date: 24.08.2020
Place: Chennai

Name: **Lovelish Lodha N**
Membership No: A35677
CP No: 13951

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
Kanchi Karpooram Limited

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.

Signature

Name: **Lovelish Lodha N**
Membership No: A35677
CP No: 13951

Date: 24.08.2020
Place: Chennai



Annexure-9

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of
Kanchi Karpooram Limited

1. We have examined the compliance of conditions of Corporate Governance by Kanchi Karpooram Limited ("the Company") for the year ended on 31st March, 2020 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) & other applicable regulations and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the SEBI Listing Regulations').

Management Responsibility

2. The compliance of the conditions of Corporate Governance is the responsibility of the management.

Auditors' Responsibility

3. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations
4. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance and Guidance Manual on Quality of Audit and Attestation Services issued by the Institute of Company Secretaries of India. It was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Management of the Company, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, as applicable for the year ended 31st March, 2020, referred to in paragraph 1 above except the following.
 - a. Whereas in terms of the Regulation- 19(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding composition of Nomination Remuneration Committee, the Company has received notices of penalty in this regard from the Stock Exchange.
- 6 Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Signature

Date: 24.08.2020
Place: Chennai

Name: **Lovelish Lodha N**
Membership No: A35677
CP No: 13951

*Annexure-10***CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of
Kanchi Karpooram Limited
Parandur Road, Karaipettai Post, Kanchipuram – 631552

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kanchi Karpooram Limited having CIN L30006TN1992PLC022109 and having registered office at Parandur Rd, Karaipettai Post, Kanchipuram – 631552 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	SURESH SHAH	01659809	31/01/1992
2	DIPESH S JAIN	01659930	11/11/2005
3	ARUN V SHAH	01744884	05/10/1994
4	S SRINIVASAN	05185901	31/01/2012
5	NARASIMHAN RAGHU	06736497	20/11/2013
6	K VENKATESWARAN	00001899	18/02/2014
7	PUSHPA S JAIN	06939054	10/09/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Signature

Date: 24.08.2020
Place: Chennai

Name: **Lovelish Lodha N**
Membership No: A35677
CP No: 13951

*Annexure-11***DECLARATION ON CODE OF CONDUCT**

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The Code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31st March 2020 as envisaged in Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On behalf of the Board of Directors

Place: Chennai
Dated: 24.08.2020

Suresh V Shah
Managing Director

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF****M/s KANCHI KARPOORAM LIMITED****Report on the audit of Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS Financial Statements of KANCHI KARPOORAM LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, the Statement of Cash Flows for the year ended on that date and Notes to the Financial Statements, including a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as 'the Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit (Including Other Comprehensive Income), the changes in Equity, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention to

- i. Note 42 forming part of the financial statements for the year in connection with the estimation uncertainty arising out of the COVID-19 pandemic.

Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Key Audit Matters	Response to Key Audit Matters & Conclusion
1. Physical verification of inventory Due to the disruption caused by the COVID-19 global pandemic, the company could not carry out the physical verification on or before the reporting date. The physical inventory taking was however carried out by the company on an alternate date after partial relaxation of the lockdown.	Principal Audit Procedures Even though we could not physically attend the inventory count we have performed alternate audit procedures to obtain sufficient appropriate audit evidence for our purpose as per SA 501 "Audit evidence – Specific consideration for stipulated items" which includes: <ul style="list-style-type: none"> (i) Examination of production and consumption records (ii) Understanding the plan and coverage of the management with respect to the inventory count (iii) Examination of the documents relating to physical verification

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

The Company's Board of Directors is responsible for the other information in the Annual Report, comprising of the Director's report and its annexures, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information when it is made available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that if there is a material misstatement of this other information, we are required to report that fact.

Management Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance (including Other Comprehensive Income), Changes in Equity and Cash Flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with



SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**Report on Other Legal and Regulatory Requirements****1. As required by Section 143 (3) of the Act, 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 Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the Directors as on 31st March, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2020 from being appointed as a Director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditors' 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 the explanations given to us:
 - i. The Company has no pending litigations as at 31st March 2020 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 has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the company.

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

P CHANDRASEKAR LLP

Chartered Accountants

Firm Regn. No. 000580S/S200066

S Raghavendhar

Partner

Chennai
30th July 2020Membership No. 244016
UDIN: 20244016AAAAAE5551



ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF KANCHI KARPOORAM LIMITED.

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

We have audited the Internal Financial Controls over Financial Reporting of KANCHI KARPOORAM LIMITED (“the Company”) as of March 31, 2020 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

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls System over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s Internal Financial Controls System over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s Internal Financial Control over Financial Reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and



- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at March 31, 2020, 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 ICAI.

P CHANDRASEKAR LLPChartered Accountants
Firm Regn. No. 000580S/S200066**S Raghavendhar**

Partner

Chennai
30th July 2020Membership No. 244016
UDIN: 20244016AAAAAE5551



ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF KANCHI KARPOORAM LIMITED.

The Annexure referred to in Paragraph 2 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date:

- (i) (a) The Company is in the process of updating its fixed asset register showing full particulars, including quantitative details and situation of fixed assets;
- (b) The company has a regular program of physically verifying all the fixed assets at its plants/offices in a phased manner over a period of 2 years, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were observed as compared to book records were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories could not be physically verified by the management during the year due to the disruption caused by the COVID-19 pandemic. However, physical verification was conducted before the resumption of production and no material adjustments were noticed during 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 during the year has not provided any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a) and iii(b) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans granted during the year.
- (v) According to the information and explanations given to us, the company has not accepted any deposits from the public and consequently the directives issued by the Reserve Bank of India and provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) amended Rules, 2015 are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) According to the information and explanations given to us in respect of Statutory dues:
 - (a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods and Service Tax and other material Statutory Dues to the appropriate authorities. There were no undisputed amounts payable which were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.
 - (b) As per the information and explanations given to us, the company, the company has no disputed dues of Income Tax, Sales Tax, Excise Duty, Customs Duty, Value Added Tax or Goods and Services Tax which have not been deposited as on 31st March 2020
- (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 or debenture to a financial institution, bank or Government.
- (ix) In our opinion and according to the information and explanations given to us the term loans availed by the company have been applied for the purpose for which they were obtained. According to the information and



explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.

- (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, the Company has not noticed or reported any fraud by the Company or any fraud on the Company by its Officers or employees during the year.
- (xi) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and reporting under clause 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of records of the company, transactions with related parties are in compliance with sections 177 and section 188 of the Companies Act, 2013, where applicable and the related party transactions have been disclosed in the Financial Statements, as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of records of the company, the Company had made preferential allotment of 2,22,220 warrants convertible into equity shares of face value of ₹ 10 each at a premium of ₹ 350 each during the year 2018-19, of which 71,400 warrants have been converted during the year into equity shares. The requirements of Section 42 of the Companies Act, 2013 have been complied with by the Company to the extent applicable. The amount so raised has been utilized during the year, towards the purpose for which funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of records of the company, the Company has not entered into any non-cash transactions with Directors or persons connected with its Directors. Hence the provisions of Section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

P CHANDRASEKAR LLP

Chartered Accountants

Firm Regn. No. 000580S/S200066

S Raghavendhar

Partner

Chennai
30th July 2020

Membership No. 244016
UDIN: 20244016AAAAAE5551



BALANCE SHEET AS AT 31 MARCH 2020

(All amounts are in lakhs of Indian rupees, unless otherwise stated)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,704.94	2,578.89
Capital work in progress	3a	883.48	270.69
Intangible assets Other than goodwill	3	-	0.06
Financial assets			
(i) Loans and Advances	4	128.92	122.81
Deferred tax asset (net)	5	-	-
Other Non-Current assets	6	87.90	45.02
		3,805.24	3,017.48
CURRENT ASSETS			
Inventories	7	2,337.99	2,670.45
Financial assets			
(i) Trade Receivables	8	1,127.02	1,475.97
(ii) Cash and Cash equivalents	9	2,340.26	0.45
(iii) Bank balances other than (ii) above	10	42.97	217.72
(iv) Other financial assets	11	8.02	0.24
Other assets	12	157.54	10.47
		6,013.80	4,375.30
Total assets		9,819.04	7,392.78
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	425.91	418.77
Other Equity	14	8,843.36	6,195.60
Total equity		9,269.27	6,614.37
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	15	6.67	18.92
(ii) Other financial liabilities	16	95.12	-
Deferred Tax Liabilities (Net)	5	31.35	47.15
		133.14	66.07
Current liabilities			
Financial Liabilities			
(i) Trade Payables - total outstanding dues of:			
(A) Micro enterprises and small enterprises	17	-	-
(B) Creditors other than micro enterprises and small enterprises	17	107.22	8.50
(ii) Other Financial Liabilities	18	177.17	108.20
Other current liabilities	19	27.67	228.38
Short Term Provisions	20	95.65	97.99
Current Tax liabilities	21	8.93	269.27
		416.63	712.34
Total liabilities		549.77	778.41
Total equity and liabilities		9,819.04	7,392.78
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **P. Chandrasekar LLP**
Chartered Accountants
Firm Registration No.: 000580S/S200066
S. RAGHAVENDHAR
Partner
Membership No.: 244016
Place: Chennai
Date: July 30, 2020

For and on behalf of the Board of Directors of
Kanchi Karpooram Limited
SURESH SHAH
Managing Director
DIN: 01659809

DIPESH S JAIN
Whole-Time Director
DIN: 01659930

K.C. RADHAKRISHNAN
Chief Financial Officer

J.R.VISHNUVARTHAN
Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are in lakhs of Indian rupees, unless otherwise stated)

Particulars	Notes	Year Ended 31-03-2020	Year Ended 31-03-2019
I. REVENUE FROM OPERATIONS	22	20,288.82	18,790.48
II. Other income	23	79.99	48.38
III. Total income (I+II)		20,368.81	18,838.86
IV. EXPENSES			
Cost of Raw materials and components consumed	24	14,213.56	13,402.35
Changes in inventories of work-in-progress and finished goods	24	288.37	(518.34)
Employee benefits expense	25	1,084.56	595.44
Finance Cost	26	87.72	180.06
Depreciation and amortization expense	27	126.15	94.97
Other expenses	28	1,051.25	955.11
Total expense-IV		16,851.61	14,709.59
V. Profit before Exceptional items and taxes (III-IV)		3,517.21	4,129.27
VI. Exceptional Items	29	-	8.21
VII. Profit before tax (V-VI)		3,517.21	4,121.06
VIII. Tax Expense			
Current Tax	30	938.38	1,226.65
Tax relating to previous years		-	43.20
Deferred tax expense / (credit)		(15.80)	23.66
Income tax expense-VIII		922.58	1,293.51
IX. Profit after tax (VII-VIII)		2,594.63	2,827.55
X. Other comprehensive income			
A. (i) Items that will not be reclassified to profit or loss	31	-	(22.85)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	6.65
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		-	-
Other comprehensive income for the year, net of tax-X		-	(16.20)
XI. Total comprehensive income for the year, net of tax (IX+X)		2,594.63	2,811.35
Earnings per share			
Basic Earnings per share		61.39	68.21
Diluted earnings per share		59.45	66.45

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **P. Chandrasekar LLP**
Chartered Accountants
Firm Registration No.: 000580S/S200066
S. RAGHAVENDHAR
Partner
Membership No.: 244016
Place: Chennai
Date: July 30, 2020

For and on behalf of the Board of Directors of
Kanchi Karpooram Limited
SURESH SHAH
Managing Director
DIN: 01659809

K.C. RADHAKRISHNAN
Chief Financial Officer

DIPESH S JAIN
Whole-Time Director
DIN: 01659930

J.R.VISHNUVARTHAN
Company Secretary


STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are in lakhs of Indian rupees, unless otherwise stated)

Particulars	31st March 2020	31st March 2019
Operating activities		
Profit before tax	3,517.21	4,121.07
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of Property, plant and equipment	126.14	94.97
(Profit)/loss on sale of Property, plant and equipment	7.13	(2.25)
Amortisation of prepaid rent	1.02	1.96
Provision for doubtful receivables	-	2.93
Finance cost interest	87.72	180.06
Interest Income	(31.68)	(18.87)
Unwinding of finance cost	14.43	
Exceptional item-loss due to fire accident	-	8.21
Operating Cash flow before working capital changes	3,721.97	4,388.09
Working capital adjustments:		
(Increase)/ decrease in trade receivables	348.95	(439.67)
(Increase)/ decrease in inventories	332.46	(358.47)
(Increase)/ decrease in other Current assets	(133.37)	390.13
(Increase)/ decrease in loans and advances/Other non-current assets	42.21	(134.36)
(Increase)/ decrease in Other Financial Assets	-	6.51
Increase/ (decrease) in trade payables	98.72	(119.39)
Increase/ (decrease) in other Financial liabilities	12.33	(4.94)
Increase/ (decrease) in other current liabilities and provisions	(185.66)	278.42
Operating cash flow after working capital changes	4,237.62	4,006.32
Interest on Working Capital and Bank charges	(26.22)	(50.41)
Taxes paid, net of refund	(1,207.65)	(1,398.34)
Net cash flows from operating activities (A)	3,003.74	2,557.57
Investing activities		
Purchase of Property, plant and equipment, intangible assets, including capital work-in-progress and capital advances	(754.02)	(366.46)
Proceeds from sale of Property, plant and equipment	1.90	3.17
Interest income	26.91	18.87
Loans given/(repaid)	(100.00)	-
Net cash flows from/(used in) investing activities (B)	(825.20)	(344.42)
Financing activities		
Proceeds from issue of share warrants	263.93	322.80
Dividends paid and DDT	(203.66)	(99.87)
Increase / (Decrease) in Buyer's credit		(1,808.04)
Increase / (Decrease) on Long term loans from bank	(12.24)	9.44
Increase / (Decrease) on Unsecured demand loans		(126.08)
Increase / (Decrease) in Other Bank Balances	174.75	(176.60)
Finance Cost	(61.50)	(129.65)
Net cash flows used in financing activities (C)	161.28	(2,008.00)
Net increase/(decrease) in cash and cash equivalents	2,339.82	205.15
Cash and cash equivalents at the beginning of the year	0.45	(204.70)
Cash and cash equivalents at year end (D) = (A)+ (B)+ (C)	2,340.26	0.45

The accompanying notes are an integral part of the financial statements

As per our report of even date
 For **P. Chandrasekar LLP**
 Chartered Accountants
 Firm Registration No.: 000580S/S200066
S. RAGHAVENDHAR
 Partner
 Membership No.: 244016
 Place: Chennai
 Date: July 30, 2020

For and on behalf of the Board of Directors of
 Kanchi Karpooram Limited
SURESH SHAH
 Managing Director
 DIN: 01659809

K.C. RADHAKRISHNAN
 Chief Financial Officer

DIPESH S JAIN
 Whole-Time Director
 DIN: 01659930

J.R.VISHNUVARTHAN
 Company Secretary

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020**

(All amounts are in lakhs of Indian rupees, unless otherwise stated)

a. Equity Share Capital

Rs. In lakhs

Equity shares of Rs 10 each issued, subscribed and fully paid	Numbers	Rs.
At 1 April 2018	41,42,200	414.22
Conversion of share warrants to Equity Shares	45,450	4.55
At 31 March 2019	41,87,650	418.77
Conversion of share warrants to Equity Shares	71,400	7.14
At 31 March 2020	42,59,050	425.91

b. Other Equity

For the year ended 31 March 2020

Rs. In lakhs

Particulars	Reserves and surplus			Other equity	Total
	Securities Premium	General Reserve	Retained earnings	Money Received against share warrants	
Balance as at 1st April 2018	-	210.00	2,955.90	-	3,165.90
Profit after Tax	-	-	2,827.51	-	2,827.51
Other Comprehensive Income	-	-	(16.20)	-	(16.20)
Money received during the year against share warrants	-	-	-	322.80	322.80
Share warrants converted to equity shares	159.08	-	-	(163.62)	(4.55)
Dividend (including tax on dividend of Rs.17.02 lakhs)	-	-	(99.87)	-	(99.87)
Balance as at 31st March 2019	159.08	210.00	5,667.35	159.18	6,195.60
Profit after Tax	-	-	2,594.63	-	2,594.63
Other Comprehensive Income	-	-	-	-	-
Money received during the year against share warrants	-	-	-	263.93	263.93
Share warrants converted to equity shares	249.90	-	-	(257.04)	(7.14)
Dividend (including tax on dividend of Rs.34.72 lakhs)	-	-	(203.66)	-	(203.66)
Balance as at 31st March 2020	408.98	210.00	8,058.31	166.07	8,843.36

Nature and purpose of the reserve:**General Reserve:**

General reserve is created out of profits transferred from retained earnings. General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. It is a free reserve eligible for distribution to shareholders subject to the provisions of The Companies Act, 2013.

Warrant Deposit:

Deposits received and retained against unconverted Warrants. This will be converted to Equity Share Capital and Securities Premium post conversion of Warrants.

Securities Premium:

Securities premium represents the amount collected from shareholders in excess of face value towards issue of share capital. Securities Premium can be utilized in accordance with The Companies Act 2013.

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **P. Chandrasekar LLP**
Chartered Accountants
Firm Registration No.: 000580S/S200066
S. RAGHAVENDHAR
Partner
Membership No.: 244016
Place: Chennai
Date: July 30, 2020

For and on behalf of the Board of Directors of
Kanchi Karpooram Limited
SURESH SHAH
Managing Director
DIN: 01659809

K.C. RADHAKRISHNAN
Chief Financial Officer

DIPESH S JAIN
Whole-Time Director
DIN: 01659930

J.R.VISHNUVARTHAN
Company Secretary



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 1: Company Overview

KanchiKarpooram Limited ("the Company") was incorporated on 31st January 1992. It is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Parandur Road, Enathur village, Karapettai Post, Kanchipuram – 631552, Tamilnadu, India. The Company manufactures Camphor and allied products. The Company has its manufacturing Plant at Kanchipuram in Tamilnadu.

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified by the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. Accordingly, the financial statements for the year ended 31st March 2020 are prepared as per IND AS financial statements. The financial statements for the year ended 31st March 2020 were authorized and approved for issue by the Board of Directors on 30th JULY, 2020.

Note 2: Summary of Significant Accounting Policies

2.1 Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policy below), which have been measured at fair value.

2.2 Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

2.3 Significant Estimates and Judgments

The areas involving critical estimates or judgments are:

- Estimation of fair value of financial assets and liabilities (Refer Note 35 to the Accounts)
- Estimation of useful life of Property, Plant and Equipment (Refer Note 2.6 below)
- Valuation of defined benefit obligations – (Refer Note 2.10 to the accounts)

2.4 Revenue Recognition

The Company has adopted Ind AS 115 from 1st April, 2018 and opted for modified retrospective application with the cumulative effect of initially applying this standard recognized at the date of initial application. The standard has been applied to all open contracts as on 1st April, 2018, and subsequent contracts with customers from that date.

Performance Obligation:

The revenue is recognized on fulfilment of performance obligation.

Sale of Products:

The Company earns revenue primarily from sale of Camphor and allied products. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component. The Company's contracts with customers do not provide for any right to returns, refunds or similar obligations.



2.5 Property, Plant and Equipment

Freehold Land was carried at deemed cost as at the transition to Ind AS and all other items of Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overheads incurred upto the date the asset is ready for its intended use. However, cost excludes Excise Duty, Value Added Tax and Service Tax / GST, to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount and recognized in Statement of Profit and Loss.

2.6 Depreciation and Amortization

Depreciation on tangible fixed assets is provided over the estimated useful life of the asset or part of the asset, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013. Residual value is considered between zero to five per cent of the cost of assets.

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited/ debited to the Statement of Profit and loss.

Residual values and useful lives are reviewed and adjusted, if appropriate, for each reporting period.

On assets added / disposed during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

2.7 Intangible Assets

Intangible assets acquired are recorded at their acquisition cost and are amortized on straight line basis over its useful life of 3 years.

2.8 Inventories

- a) Raw materials and Stores and spares are valued at cost under First-In-First-Out (FIFO) method or net realizable value whichever is lower.
- b) Finished goods are valued at cost (including applicable overheads) or net realizable value, whichever is lower
- c) Work-in-progress is valued at cost (including applicable overheads) or net realizable value, whichever is lower.

2.9 Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

2.10 Employee Benefits

(i) Short term obligations:

Liabilities for wages, salaries and bonuses, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured



at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liabilities in the balance sheet.

(ii) Post-employment obligations:

a) Provident Fund and pension:

Provident Fund and pension benefits are defined contribution plans under which the Company pays fixed contribution into funds established under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The Company has no legal or constructive obligations to pay further contributions after the payment of the fixed contribution. Contributions due to the provident fund are recognized as an expense on monthly basis.

b) Gratuity:

The Company has a defined benefit gratuity plan funded with Life Insurance Corporation of India, covering eligible employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or in termination of employment. The company obligation towards gratuity is valued at the date of each balance sheet with the help of an actuary using projected unit credit method and considered accordingly in the books of accounts.

(iii) Other long-term employee benefit obligations:

a) Leave encashment:

The company allows accumulation of leave and encashment thereof based on its policy for eligible employees. The company's obligation towards leaves that could be carried over by employees beyond 12 months from the date of the balance sheet is valued on with the help of an actuary using the projected unit credit method and considered accordingly in the books of accounts.

2.11 Taxes on Income

Income tax expense represents the sum of the current tax and deferred tax.

a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that are enacted and applicable for the reporting period. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

b) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.



The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Accordingly, the deferred tax assets and liabilities that were recognized during the previous reporting periods are remeasured using the tax rates enacted or substantively enacted as at the reporting date.

c) Current and deferred tax for the year

Current and deferred tax are recognized in the Statement of Profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.12 Leases

From 1 April 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities predominantly include the net present value of the fixed lease payments and other components of lease payments where applicable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

2.13 Functional and presentation currency and Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

**2.14 Earnings per Share**

The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.15 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company is principally engaged in a single business segment, viz., manufacture and sale of Camphor and allied products.

2.16 Provisions, Contingent Liabilities and Contingent Assets**a) Provision**

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

b) Contingent Liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

c) Contingent Asset

Contingent assets are not recognized but are disclosed only where an inflow of economic benefits is probable.

2.17 Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading



- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified approximately three months as its operating cycle.

2.18 Financial instruments

(a) Recognition:

Financial assets and financial liabilities are recognized when a company entity becomes a party to the contractual provisions of the instruments.

(b) Classification of financial instruments

The Company classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

(c) Measurement

(i) Initial Recognition:

At Initial recognition, the Company measures a financial asset at its fair value plus transaction cost (in the case of a financial asset not a fair value through profit or loss) that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

(ii) Subsequent measurement:

- **Debt Instruments**

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments.

- **Amortized Cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair Value through profit and loss statement**

Assets that do not meet the criteria for amortized cost or Fair Value through Other Comprehensive Income (FVOCI) are measured at Fair Value Through Profit or Loss (FVTPL). A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.



- **Equity Instruments**

The Company subsequently measures all investments in equity (except of the subsidiaries/ associate) at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately.

Where the Company elects to measure fair value through profit and loss, changes in the fair value of such financial assets are recognized in the statement of profit and loss.

(d) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Expense is recognized on an effective interest basis for debt instruments other than those financial liabilities classified as at FVTPL. Interest expense is recognized in profit or loss and is included in the 'finance cost' line item.

(e) Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

(f) De-recognition of financial assets and financial liabilities

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.



The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

2.19 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts/cash credits. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.20 Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

a) Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Material instances where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management uses the services of external valuers. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 35.

b) Useful life of Property, Plant & Equipments and Intangible Assets

The Company reviews the estimated useful lives of Property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

c) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

d) Deferred Tax Assets

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profits will be available against which deferred tax assets can be utilized. The Company reviews at each balance sheet the carrying amount of deferred tax asset if any.



3 Property, plant and equipment, Capital Work-in Progress & Intangible Assets
2019-20

Rs. in Lakhs

Particulars	Property, plant and equipment											Intangible assets	
	Freehold Land	Electrical Installations	Buildings		Plant and Equipment	Furniture and Fixtures	Vehicles	Lab Equipments	Air Conditioners	Office equipment	Computer		Total
			Freehold	ROU Assets									
Cost or valuation													
At 1 April 2019	1,905.07	3.00	117.84	119.92	678.20	7.12	56.89	8.00	6.24	5.33	16.65	2,924.28	0.17
Add: Additions	-	-	5.93	-	97.16	2.63	27.23	1.06	1.14	1.97	2.24	139.34	-
Less: Disposals/Write off	-	-	-	-	-	-	(19.50)	-	-	-	-	(19.50)	-
Less: Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	1,905.07	3.00	123.76	119.92	775.37	9.75	64.62	9.06	7.38	7.30	18.89	3,044.12	0.17
Accumulated Depreciation/Amortization/Impairment													
At 1 April 2019	-	1.11	23.28	-	170.63	2.49	14.09	1.20	2.44	2.99	7.23	225.46	0.10
Depreciation charge for the year	-	0.38	8.37	15.66	78.15	0.73	12.77	0.88	1.00	1.47	4.78	124.19	0.07
Disposals	-	-	-	-	-	-	(10.47)	-	-	-	-	(10.47)	-
Impairment charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	1.49	31.66	15.66	248.77	3.21	16.39	2.08	3.45	4.46	12.00	339.18	0.17
Net book value													
At 31 March 2020	1,905.07	1.51	92.11	104.26	526.59	6.54	48.22	6.97	3.93	2.84	6.89	2,704.94	-
At 1 April 2019	1,905.07	1.89	94.56	-	507.58	4.64	42.80	6.80	3.79	2.34	9.42	2,578.89	0.06



Rs. in Lakhs

2018-19

Particulars	Property, plant and equipment										Intangible assets	
	Freehold Land	Electrical Installations	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Lab Equipments	Air Conditioners	Office equipment	Computer		Total
Cost or valuation												
At 1 April 2018	1,870.00	3.00	100.00	587.00	6.00	52.00	8.00	4.00	4.00	9.00	2,643.00	0.11
Add: Additions	35.07	-	17.84	91.20	1.12	16.15	-	2.24	1.33	7.65	172.61	0.06
Less: Disposals/Write off	-	-	-	-	-	(11.25)	-	-	-	-	(11.25)	-
Less: Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2019	1,905.07	3.00	117.84	678.20	7.12	56.89	8.00	6.24	5.33	16.65	2,804.35	0.17
Accumulated Depreciation/Amortization/Impairment												
At 1 April 2018	-	0.73	15.24	101.96	1.96	13.06	0.38	1.67	1.92	3.97	140.89	0.03
Depreciation charge for the year	-	0.38	8.04	68.67	0.53	11.36	0.82	0.77	1.07	3.26	94.90	0.07
Disposals	-	-	-	-	-	(10.33)	-	-	-	-	(10.33)	-
Impairment charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2019	-	1.11	23.28	170.63	2.49	14.09	1.20	2.44	2.99	7.23	225.46	0.10
Net book value												
At 31 March 2019	1,905.07	1.89	94.56	507.58	4.64	42.80	6.80	3.79	2.34	9.42	2,578.89	0.06
At 1 April 2018	1,870.00	2.27	84.76	485.04	4.04	38.94	7.62	2.33	2.08	5.03	2,501.59	0.08



Note 3a - Capital Work in progress

Rs. in Lakhs

Particulars	CWIP - Plant and machinery	CWIP - Others	Total
Balance as on 1st April 2019	48.90	221.79	270.69
Additions	83.30	713.32	796.62
Capitalization during the year	132.20	51.63	183.83
Balance as on 31st March 2020	-	883.48	883.48

4 Non-current financial assets- Loans

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
a. Secured, Considered Good	-	-
b. Unsecured, Considered Good		
Security Deposits	28.92	122.81
Inter corporate loans	100.00	-
c. Loans with significant increase in credit risk	-	-
d. Loan Receivables – Credit Impaired	-	-
	128.92	122.81

Disclosure as required under section 186 (4):

During the year, the Company has given a loan of Rs. 100 lakhs to M/s. Phukhraj Finance Private Limited by way of financial assistance for the expansion of its business activities. The loan is repayable by 2 years and carries an interest of 15% p.a. The Company has not made any investment or given a guarantee or provided any security covered under Section 186 of the Companies Act, 2013.

5 Deferred Tax Asset/ (Liability)

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Deferred tax asset		
Expenses disallowed under Income Tax Act, 1961	95.64	10.55
Deferred tax Liability		
Depreciation differential	(126.99)	(41.00)
Other	-	(16.70)
Net deferred tax asset / (liability)	(31.35)	(47.15)

Rs. in Lakhs

Movement in Deferred Tax	Depreciation	Others	Total
As at 31st March 2018-(Liability)/Asset (Charged)/ Credited			(23.49)
To Profit and Loss	(40.99)	17.33	(23.66)
To Other Comprehensive Income	-	-	-
As at 31st March 2019-(Liability)/Asset	(41.00)	(6.15)	(47.15)
To Profit and Loss	(86.00)	101.80	15.80
To Other Comprehensive Income	-	-	-
As at 31st March 2020-(Liability)/Asset	(127.00)	95.65	(31.35)



6 Other Non-Current assets

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Capital advance	78.19	37.78
Advances other than capital advances		
(i) Unamortized expense on rental deposit and others	9.71	7.24
	87.90	45.02

7 Inventories (lower of cost and net realisable value)

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Raw materials		
(i) Stock of raw materials	983.56	1,302.59
(ii) Goods in transit	290.47	-
Work in progress	699.51	948.96
Finished goods	312.93	351.85
Stores and Spares	51.52	67.04
Total inventories	2,337.99	2,670.45

Refer No. 2.8 of accounting policies relating to valuation of inventories.

8 Trade receivables

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
a. Secured, Considered Good	-	-
b. Unsecured, Considered Good		
Receivables from related parties (refer note 36)	13.07	19.12
Receivable from other	1,113.95	1,456.86
c. Trade receivables with significant increase in credit risk	-	-
d. Trade receivables – Credit Impaired	-	-
	1,127.02	1,475.97

9 Cash and cash equivalents

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Cash on hand	0.83	0.45
Balances with banks		
(i) In current accounts	375.32	-
(ii) In fixed deposits	1,964.11	-
	2,340.26	0.45



10 Bank balances

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Balance with Scheduled Banks in deposit account held as margin money	-	179.82
In unpaid dividend accounts	42.97	37.90
	42.97	217.72

11 Other financial assets (current)

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Unsecured, Considered Goods		
Advance to employees	3.25	0.24
Interest accrued and not due	4.77	-
	8.02	0.24

12 Other assets (current)

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Balance with Government authorities	115.47	-
Prepaid expenses	18.77	10.47
Advances to suppliers	23.30	-
	157.54	10.47

13 Share Capital

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Authorised:		
70,00,000 (Previous years: 70,00,000) equity shares of Rs.10/- each	700.00	700.00
	700.00	700.00
Issued, subscribed and paid-up:		
42,59,050 (Previous years: 41,87,650) equity shares of Rs.10/- each fully paid-up.	425.91	418.77

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	No. of Shares
As at April 01, 2018	41,42,200
Conversion of Share Warrants to equity shares	45,450
As at March 31, 2019	41,87,650
Conversion of Share Warrants to equity shares	71,400
As at March 31, 2020	42,59,050

**b) Terms / rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2020, the total number of shares issued, Subscribed and Paid up is 42,59,050/- (March 31, 2019: 41,87,650/). During the year 71,400 share warrant were converted and equity shares were allotted at face value Rs.10/- per share and the balance warrant deposit for unallotted shares for current year has been presented in other equity.

During the year ended March 31, 2020, the amount of dividend (if any) proposed by board of directors is subject to approval of shareholders at annual general meeting. During the FY-2019-20, Interim dividend of Rs.2 was paid to the shareholders as per the approval of Board of director's meeting held on 9th March, 2020.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

No shares were allotted as fully paid bonus shares during the 5 years immediately preceding 31.03.2020. No Shares were bought back during the preceding 5 previous years and no shares were allotted for non-cash consideration during the 5 years immediately preceding 31.03.2020.

c) Details of shareholders holding more than 5% shares in the Company are as under:-

Name of equity share holders	2019-20		2018-19	
	No. of shares	% of holding	Number of shares held	% of holding
V SURESH	4,09,892	9.62%	3,37,300	8.14%
VARSHAA GOAL	3,18,400	7.48%	3,18,400	7.69%
PUSHPA S JAIN	3,54,953	8.33%	3,13,700	7.57%
DIPESH SURESH JAIN	2,58,750	6.08%	2,12,850	5.14%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



14 Other equity

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Reserves and Surplus		
General reserve	210.00	210.00
Securities premium	408.98	159.08
Retained Earnings		
Balance as at the beginning of the year	5,667.35	2,955.90
Add: Increase/ (Decrease)	2,390.96	2,711.44
Balance as at the end of the year	8,058.31	5,667.34
Other Equity		
Securities premium account		
Warrant deposit (Refer to statement of changes in equity for movements during the year)	166.07	159.18
Special capital incentive subsidy		-
Total Other equity	8,843.36	6,195.60

Nature and purpose of the reserve:

General Reserve:

General reserve is created out of profits transferred from retained earnings. General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. It is a free reserve eligible for distribution to shareholders subject to the provisions of The Companies Act, 2013.

Warrant Deposit:

Deposits received and retained against unconverted Warrants. This will be converted to Equity Share Capital and Securities Premium post conversion of Warrants

Securities Premium:

Securities premium represents the amount collected from shareholders in excess of face value towards issue of share capital. Securities Premium can be utilized in accordance with The Companies Act 2013.

15 Non-Current Financial Liabilities- Loans

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Term Loan from Banks		
i) Secured by vehicles purchased	6.67	18.92
	6.67	18.92

The above loan is repayable in 60 months in equal monthly instalments of Rs.0.29 Lakhs each. Rate of interest being 8.51%

**16 Non-Current Financial Liabilities-Other Financial Liabilities**

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Long term lease obligations	95.12	-
	95.12	-

17 Trade Payables

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Dues to Micro Enterprises and Small Enterprises*	-	-
Dues to other than Micro, Small & Medium Enterprises	107.22	8.50
	107.22	8.50

*The Company has not received information from vendors regarding their status under Micro, Small and medium Enterprise 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.

18 Other Current Financial Liabilities

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Security Deposits Received	7.51	-
Current maturities of long term debt	2.80	2.57
Current portion of Lease liabilities	19.35	-
Interest accrued but not due on borrowings	0.07	-
Unclaimed Dividend	42.97	37.90
Outstanding Expenses	104.47	67.73
	177.17	108.20

19 Other Current liabilities

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Advance from customers	8.33	11.53
Statutory Dues Payable	19.34	216.85
	27.67	228.38

20 Short Term Provisions

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
(i) Provision for employee benefits		
Leave Encashment	33.57	36.42
Gratuity	14.88	26.65
Bonus	47.20	34.92
	95.65	97.99

**21 Current Tax Liabilities**

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Provision for Income tax	962.53	1,220.00
Less: Advance tax and TDS tax	953.60	950.73
	8.93	269.27

22 Revenue from operations

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Sale of products		
i) Camphor	16,048.43	14,754.97
ii) Dipentine	1,539.02	1,096.22
iii) Others	2,693.97	2,935.04
Other operating revenues		
Scrap sales	7.40	4.25
	20,288.82	18,790.48

23 Other income

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Interest Income	32.52	18.89
Reversal of Provision on bad and doubtful debts	-	27.19
Profit on sale of Property, plant and equipment (net)	-	2.30
Net gain on account of foreign exchange fluctuation	25.46	-
Other Non-Operating Income	22.01	-
	79.99	48.38



24 Cost of raw materials and components consumed

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
a. Raw materials		
Opening stock	1,302.59	1,149.47
Purchases Made:		
Imported :		
- Oleo Pine Resin	-	-
- Alpha Pine	860.52	1,839.83
- Gum Rosin	77.82	72.04
- Gum Turpentine	11,990.61	10,463.16
- Other Raw Materials	0.91	-
Indigenous :	-	-
Other Materials	964.66	1,180.44
Closing stock	983.56	1,302.59
	14,213.56	13,402.35
b. Finished goods and work in progress		
(Increase) / Decrease in Inventories		
Opening Stock		
a. Manufactured Goods	351.85	287.10
b. Work in progress	948.96	495.37
Subtotal (A)	1,300.81	782.47
Closing Stock		
a. Manufactured Goods	312.93	351.85
b. Work in progress	699.51	948.96
Subtotal (B)	1,012.44	1,300.81
Change in Work in Progress and Finished goods (A+B)	288.37	(518.34)

25 Employee benefits expense

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Salaries, wages and bonus	1,008.65	505.72
Contribution to provident and other funds	37.56	65.56
Staff welfare expenses	38.35	24.16
	1,084.56	595.44

26 Finance Costs

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Interest expense*	76.08	171.78
Other borrowing costs	11.64	8.28
	87.72	180.06

*Includes exchange differences considered as borrowing costs of Rs. 21.89 lakhs (Rs. 97.05 lakhs)



27 Depreciation and Amortisation Expenses

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Depreciation of Property, plant and equipment	110.42	94.90
Depreciation on ROU Assets	15.66	-
Amortisation of intangible assets	0.07	0.07
	126.15	94.97

28 Other expense

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Consumption of stores and spares	53.94	82.57
Power and fuel	445.50	391.32
Donation and contribution	22.38	1.16
Rent	9.24	21.90
Repairs and maintenance		
- Building	4.55	8.46
- Plant and machinery	48.98	58.17
- Others	13.95	18.66
Insurance	15.88	6.44
Travelling expenses	35.15	19.90
Communication expenses	5.84	7.21
Rates and taxes	38.41	6.74
Carraige outward	132.16	101.34
Sales promotion and selling expenses	82.83	94.36
Legal and professional charges	30.53	40.68
Payment to auditors*	6.00	6.00
Printing and stationery	3.77	4.34
Loss on sales of Property, plant and equipment	7.13	0.05
Net loss on foreign currency fluctuations	-	35.23
Corporate Social Responsibility expenditure (Refer Annexure 5 of Director's Report)	45.99	19.30
Provision for doubtful receivables	-	2.93
Miscellaneous expenses	49.02	28.35
	1,051.25	955.11

* Payment to Auditors

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Statutory Audit Fees	4.00	4.00
Tax Audit fees	1.00	1.00
Limited Review	1.00	1.00
	6.00	6.00



29 Exceptional items

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Loss on fire accident	-	8.21
	-	8.21

30 Current Tax

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Income Tax Expense		
Current Tax	938.38	1,226.65
Current Tax on Profits for the year - MAT		
Sub-Total (A)	938.38	1,226.65
Deferred Tax		
Decrease /(Increase) in deferred tax assets - Other	(101.79)	17.33
(Decrease) /Increase in deferred tax liabilities	86.00	(40.99)
Sub-Total (B)	(15.80)	23.66
(A)+(B)	922.58	1,250.31
Less -Tax Expense in OCI	-	6.65
Income Tax Expense	922.58	1,243.66
Profit before Income Tax Expense	3,517.21	4,129.27
Tax at Indian Tax Rate of (25.17%) (29.12%)	885.21	1,202.44
Income Tax impact of difference between Book Depreciation and Depreciation under Tax Laws	7.31	(5.85)
Expenses not allowed under the Income Tax Act, 1961	47.42	32.82
Incomes not chargeable to Tax	(1.57)	(9.41)
Current Tax	938.38	1,220.00
Deferred Tax (Created)/Charged	(15.80)	23.66
Income Tax Expense	922.58	1,243.66
Effective Rate of Tax	26.23%	30.12%



31 Other Comprehensive Income

Rs. in Lakhs

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Items that will be not be reclassified to profit and loss account		
Remeasurent of defined benefits Plans- Actural Gains	-	22.85
Income tax relating to above	-	6.65
	-	16.20

32 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Basic Earnings per Share

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Profit for the year (Rs)	2,594.63	2,827.55
Weighted average number of equity shares for EPS	42,26,773	41,45,209
Basic Earnings per Share Rs.	61.39	68.21

Diluted Earnings per Share

Rs. in Lakhs

Particulars	31st March 2020	31st March 2019
Profit for the year (Rs)	2,594.63	2,827.55
Weighted average number of Equity shares for EPS	43,64,527	42,55,441
Diluted earnings per share Rs.	59.45	66.45

33 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:

Rs. in Lakhs

Sl. No.	Particulars	As at 31 Mar 2020	As at 31 Mar 2019
1	Equity	9,269.26	6,614.37
2	Debt	9.48	21.49
3	Cash and cash equivalents	2,340.26	0.45
4	Net debt (2 – 3)	-	21.04
5	Total capital (Equity + Net debt)	9,269.26	439.80
	Net debt to Capital ratio	0.00	0.05

34 Major Financial risk management objectives

Particulars	Upto 1 Year	1 to 5 years	More than 5 Years	Total
31-Mar-20				
Term Loan	2.80	6.67		9.48
Trade Payables	107.22			107.22
Lease obligation	19.34	65.45	29.67	114.46
Other financial liabilities	155.02	-		155.02
31-Mar-19				
Term Loan	2.57	18.92		21.49
Trade Payables	8.50	-		8.50
Other financial liabilities	105.63	-		105.63

Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company as on the date of the financial statements does not have any significant exposure to credit risk.

Credit Risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The management evaluates the credit risk of individual financial assets at each reporting date. An expected credit loss is recognized if the credit risk has increased significantly since the initial recognition of the financial instrument. In general, the company assumes that there has been a significant increase in credit risk since initial recognition if the amounts are 30 days past due from the initial or extended due date. However, in specific cases the credit risk is not assessed to be significant even if the asset is due beyond a period of 30 days depending on the credit history of the customer with the company and business relation with the customer. A default on a financial asset is when the counter party fails to make contractual payments within 3 months from the date they fall due from the initial or extended due date. The definition of default is adopted given the industry in which the entity operates.

Credit categorization and Exposure:

Grade	Description	Extent of loss recognized
A	High Quality Asset, the risk of default is negligible or nil	12 month expected Credit Loss
B	Standard Asset, the risk of default is low and the counterparty has sufficient financial strength to meet the obligations	12 month expected Credit Loss
C	Low Quality Asset, the risk of default is considerable and there has been a significant increase in the credit risk since initial recognition	Life Time Expected Credit Losses
D	Possibility of recovery is negligible and the asset is written off	Asset is written off



Grade	As at 31st March 2020					As at 31st March 2019				
	Loans and Advances	Trade Receivables	Cash and Cash Equivalents	Other Bank Balances	Other Financial Assets	Loans and Advances	Trade Receivables	Cash and Cash Equivalents	Other Bank Balances	Other Financial Assets
A	128.92	1,127.02	2,340.26	42.97	8.02	122.81	1,475.97	0.45	217.72	0.24

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The company has obtained fund and non-fund based working capital limits from various bankers which is used to manage the liquidity position and meet obligations on time.

35 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. During the year 2019-20, the company did not have any financial instrument that was measured at fair value on recurring basis.

- i) Fair value measurement hierarchy is as follows:
 - a) Level 1 item of fair valuation is based on market price quotation at each reporting date
 - b) Level 2 item of fair valuation is based on significant observable input like PV of future cash flows, MTM valuation, etc.
 - c) Level 3 item of fair valuation is based upon significant unobservable inputs where valuation is done by independent value.
- ii) 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.
- iii) The fair values of financial assets and liabilities measured at amortized cost are approximate their carrying amount.
- iv) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

36 Related party transactions

(a) Name of related Parties and related party relationship

Name of the related party	Nature of relationship
Shri. Suresh V Shah	Managing Director*
Shri. Arun V Shah	Whole Time Director*
Shri. Dipesh S. Jain	Whole Time Director*
Shri. KC.Radhakrishnan	CFO*
Shri.J.R.Vishnu varthan	Company Secretary *
Smt. Pushpa S Jain	Director
M/s. Suresh Industries	Firm in which directors have significant influence
Kavitha Jain	Wife of Whole Time Director

*Key Managerial Personnel (KMP)


(b) Transactions with Related Parties (Rs. in lakh)

S. No	Name	Nature of Relation	Nature of Transaction	Total Amount		Amount Outstanding as at year end	
				2019-20	2018-19	31 Mar 2019	31 Mar 2018
1	Suresh Shah	Managing Director	Remuneration Including Contribution to Provident Fund and other perquisites *	220.66	35.11	4.60	2.60
2	Dipesh Jain	Whole Time Director	Remuneration Including Contribution to Provident Fund and other perquisites *	139.24	26.39	3.28	2.28
3	Arun V Shah	Whole Time Director	Remuneration Including Contribution to Provident Fund and other perquisites *	94.37	22.80	2.90	1.90
4	KC.Radhakrishnan	CFO	Remuneration Including Contribution to Provident Fund and other perquisites *	39.70	31.90	3.00	2.35
8	Suresh Shah	Managing Director	Interest paid	-	13.84	-	-
9	Dipesh Jain	Whole Time Director	Interest paid	-	1.99	-	-
10	Arun V Shah	Whole Time Director	Interest paid	-	1.08	-	-
11	KC.Radhakrishnan	CFO	Salary Advance-Given/(Repaid)	(0.25)	0.25	-	0.25
12	Pushpa S.Jain	Director	Sitting Fees	0.30	0.35	-	-
13	Kavitha Jain	Wife of Whole Time Director	Salary	5.50	-	-	-
14	Suresh Industries	Firm in which directors have significant influence	Sales	1,483.45	1,545.86	(13.07)	(19.12)
15	Suresh Shah	Managing Director	Share warrant Application money received	189.93	109.90	94.81	63.28
16	Dipesh Jain	Whole Time Director	Share warrant Application money received	74.00	162.50	71.26	95.90
17	Suresh Shah	Managing Director	Share warrants converted to Equity Shares	158.40	46.62	-	-
18	Dipesh Jain	Whole Time Director	Share warrants converted to Equity Shares	98.64	66.60	-	-
19	Pushpa S.Jain	Director	Share warrant Application money received	-	30.60	-	-
20	Kavitha Jain	Wife of Whole Time Director	Share warrant Application money received	-	19.80	-	-
21	Pushpa S.Jain	Director	Share warrants converted to Equity Shares	-	30.60	-	-
22	Kavitha Jain	Wife of Whole Time Director	Share warrants converted to Equity Shares	-	19.80	-	-

Note: * Amount excludes contribution to gratuity fund and provision for leave encashment liability, as the separate figure are not available, and includes Commission paid for the FY-2018-19 as per the prescribed limits of Section 197 of Companies Act, 2013 and approved by the members in the AGM. Figures in the bracket represent repayment of loan / debit balance



37 Gratuity & Leave Encashment

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

Sr No	Particulars	Gratuity		Leave Encashment	
		2019-20	2018-19	2019-20	2018-19
i	Discount Rate (Per Annum)	6.65%	7.62%	6.65%	7.62%
ii	Salary Escalation	7.00%	7.00%	7.00%	7.00%

Changes in present value of obligation

Sr No	Particulars	Gratuity		Leave Encashment	
		2019-20	2018-19	2019-20	2018-19
i	Present Value of obligations as at the beginning of the year	95.62	61.05	46.03	20.35
ii	Interest Cost	7.29	4.60	4.49	1.53
iii	Current Service Cost	11.20	7.51	6.50	5.53
iv	Past Service Cost - (non vested benefits)		-	-	-
v	PastServiceCost-(vestedbenefits)		-	-	-
vi	Benefits and Charges Paid	(0.81)	-	(8.88)	-
vii	Actuarialgain/(loss)onplanassets	-	-	-	-
	(a) Due to CHANGE in financial assumptions	6.06	(0.42)	0.94	(0.25)
	(b) Due to change in demographic assumptions	-	-	-	-
	(c) Due to Experience Variance	(18.89)	22.87	(37.95)	18.86
viii	Present Value of obligations as at the end of the year	100.46	95.62	11.13	46.03

Changes in fair value of plan assets

Sr No	Particulars	Gratuity		Leave Encashment	
		2019-20	2018-19	2019-20	2018-19
i	Fair Value of Plan Assets at the beginning of the year	68.97	62.54	22.45	18.70
ii	Expected return on plan assets	5.20	4.32	1.08	0.94
iii	Contributions less charges	12.25	2.11	2.87	2.81
iv	Benefits and Charges Paid	-	-	-	-
v	Actuarial gain/(loss) on plan assets	-	-	-	-
vi	Fair Value of Plan Assets at the end of the year	86.43	68.97	26.40	22.45

**Actuarial Gain / Loss**

Sr No	Particulars	Gratuity		Leave Encashment	
		2019-20	2018-19	2019-20	2018-19
i	Expected Interest income	5.26	4.72	1.71	1.06
ii	Actual Interest on plan assets	5.20	4.32	1.08	0.83
iii	Actuarial gain/(loss) on plan assets	(0.05)	(0.40)	(0.63)	(0.22)

38 Contingent Liability and Capital Commitments

There are no Contingent liability Disclosure for the year 2019-20

There are no contracts remaining to be executed on capital account and not provided for as on 31st March 2020.

39 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.

40 Details of Remuneration to Managing Director

Rs. in Lakhs

Particulars	2019-20	2018-19
Salary	216.45	31.20
Company's contribution to Provident Fund	0.22	0.22
Other Perquisites	3.99	3.69
Total*	220.66	35.11

Note: * Amount excludes contribution to gratuity fund and provision for leave encashment liability, as separate figures are not available and includes Commission paid for the FY-2018-19 as per the prescribed limits of Section 197 of Companies Act, 2013 and approved by the members in the AGM

Whole-Time Directors

Particulars	2019-20	2018-19
Salary	229.74	45.98
Company's contribution to Provident Fund	0.43	0.43
Other Perquisites	3.43	3.00
Total*	233.60	49.41

Note: * Amount excludes contribution to gratuity fund and provision for leave encashment liability, as separate figures are not available and includes Commission paid for the FY-2018-19 as per the prescribed limits of Section 197 of Companies Act, 2013 and approved by the members in the AGM

41 NOTE ON IND AS – 116-LEASES

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at April 1, 2019. The comparative information in the financial statements would not be restated and would be presented based on the requirements of the previous standard i.e. Ind AS 17.



In adopting Ind AS 116, the Company has applied the below practical expedients:

- (i) The Company has not reassessed whether a contract is, or contains, a lease as per the definitions of Ind AS 116 at the date of initial application.
- (ii) The Company applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (iii) The Company relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review as per Ind AS 36 Impairment of assets.
- (iv) The Company has treated the leases with remaining lease term of less than 12 months as 'short term leases'.
- (v) The Company has excluded the initial direct costs from measurement of the right-of-use asset at the date of transition.
- (vi) The Company used hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease. Effective 1st April 2019, the company has adopted Ind AS 116 'Leases' and applied the Standard to its leases retrospectively. Accordingly, comparatives for the period prior have not been restated. The adoption of the Standard has resulted in recognizing 'Right-of-Use Asset' of ₹ 119.92 lakhs and a corresponding 'Lease Liability' of equal amount as at the date of initial application.

Other information required to be disclosed by the standard have been provided in the below table:

The following amounts are included in the Balance Sheet as at March 31, 2020:

Particulars	Rs.in lakhs
Current Lease Liabilities	19.34
Non-Current Lease Liabilities	95.12
Total	114.46

The following amounts are recognized in the statement of profit and loss for the year ended March 31, 2020

Particulars	Rs.in lakhs
Interest expense on lease liabilities	15.27
Expenses related to short term leases	3.38

42. Impact of COVID-19

World Health Organisation (WHO) declared outbreak of coronavirus disease (COVID-19) a global pandemic on March 11, 2020. In India, Ministry of Home Affairs vide Order No. 40-3/2020 dated 24.03.2020 notified nation-wide lockdown in India to contain the outbreak. The impact on company's business due to the pandemic is being evaluated. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdown in the preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, intangible assets under development and the net realizable values of other assets. However, given the effect of these lockdowns on the overall economic activity in India, the impact assessment of COVID-19 on the above-mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts pertaining to COVID break down is under review. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

43 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

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **P. Chandrasekar LLP**
Chartered Accountants
Firm Registration No.: 000580S/S200066
S. RAGHAVENDHAR
Partner
Membership No.: 244016
Place: Chennai
Date: July 30, 2020

For and on behalf of the Board of Directors of
Kanchi Karpooram Limited
SURESH SHAH
Managing Director
DIN: 01659809

K.C. RADHAKRISHNAN
Chief Financial Officer

DIPESH S JAIN
Whole-Time Director
DIN: 01659930

J.R.VISHNUVARTHAN
Company Secretary



KANCHI KARPOORAM LIMITED

CIN : L30006TN1992PLC022109

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