

KCL LIMITED

**ANNUAL REPORT
2016-2017**



KCL LIMITED
(Formerly Known as Khemka Containers Limited)

CORPORATE INFORMATION

KEY MANAGERIAL PERSONNEL

Ms. Chander Kala Khemka, Chairman
Mr. Shyam Sunder Khemka, Managing Director
Mr. Rajeev Khemka, Whole Time Director
Mr. Sanjeev Khemka, Whole time Director
Mr. Ashish Khemka, Whole Time Director
Mr. Deeptanshu Khemka, Whole time Director

**Non Executive &
Independent Director**

Mr. Sunil Bansal
Mr. Rahul Jain
Mrs Chander Kala Khemka

STATUTORY AUDITOR

M/s Borar & Associates

Registered Office

E-292, Sarita Vihar
New Delhi-110044

INTERNAL AUDITOR

M/s M.L. Bhansali & Co.

Manufacturing Plants

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

SECRETARIAL AUDITOR

Vikas Verma & Associates
B-502, Statesman House,
147, Barakhamba Road,
New Delhi-110001

Greater Noida Division

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

Baddi Division-II

Village Bir Pilasi, Tehsil
Nalagarh, Distt. Solan (H.P)

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd..
Beetal House, 3rd Floor, 99 Madangir,

Printing Division:

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

BANKERS

Allahabad Bank, NIT Faridabad
HSBC Bank, Gurgaon

Baddi Division

Sai Road, Baddi (H.P)

Stock Exchange

Metropolitan Stock Exchange of India Limited Mumbai

Sri-city Division

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

ISIN: INE061C01010

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NOTICE

Notice is hereby given that the 34th Annual General Meeting of KCL Limited (CIN: L74899DL1983PLC068008) will be held on Thursday, September 28th 2017 at 01.00 P.M at the Registered Office of the company Situated at E-292, Sarita Vihar, New Delhi - 110044 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2017, statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajeev Khemka (holding DIN No: 00103260), who retires by rotation, and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Deeptanshu Khemka (holding DIN No: 07484360), who retires by rotation, and being eligible offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions if any of the Act and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Rohit Baid & Co., Chartered Accountants, Faridabad, bearing Firm Registration No 031122N with Institute of Chartered Accountant of India be and is hereby appointed as the Statutory Auditor of the Company to hold office from the conclusion of the Annual General Meeting for the financial year 17-18 to the conclusion of this Annual General Meeting till the conclusion of next sixth Annual General Meeting, subject to ratification by the Shareholders at every subsequent Annual General Meeting and to authorize the Board of Directors of the company to fix their remuneration.”.

RESOLVED FURTHER THAT Mr. Rajeev Khemka, Director & CFO of the Company be and is hereby authorized to do all such actions as may be required to give effect to the aforesaid resolution.

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Date: 05th Sept. 2017
Place: Faridabad

By Order of the Board
For KCL LIMITED
SD/-
(Amit Aggarwal)
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING. BLANK PROXY FORM IS GIVEN IN THE ANNUAL REPORT.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
3. The Instrument appointing the proxy, duly completed shall be deposited at the Company's registered office address not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company remain closed from Thursday 21st -27th September, 2017 for the purpose of AGM.
6. Relevant documents referred to in the accompanying Notice and statutory registers are open for inspection by the Members at the Company's Registered

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Office on all working days between 14:00 -16:00 hrs up to the date of the meeting and will be available for inspection at the AGM.

7. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
8. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants.
9. In terms of Section 152 of the Act, Mr. Rajeev Khemka and Mr. Deeptanshu Khemka, Directors, retire by rotation at the Meeting and being eligible, offer themselves for reappointment. The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors of the Company recommend their respective re-appointments.
10. Mr. Rajeev Khemka and Mr. Deeptanshu Khemka are interested in the Ordinary Resolutions set out at Item Nos. 2 and 3 respectively, of the Notice with regard to their re-appointment. Mr. Ashish Khemka Director, being related to Mr. Rajeev Khemka may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. Mr. Sanjeev Khemka & Rajeev Khemka, Director, being related to Mr. Deeptanshu Khemka may be deemed to be interested in the resolution set out at Item No. 3 of the Notice. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 to 4 of the Notice
11. Details of Directors retiring by rotation / seeking appointment / re-appointment at the ensuing Meeting are provided in the “Annexure A” to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.
12. The Route map and landmark are enclosed with this notice.
13. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy

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- of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
14. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for e-voting are given here in below. Resolution(s) passed by Members through Ballot Forms or e-voting is / are deemed to have been passed as if they have been passed at the AGM.
 15. Members may also note that the Notice of the 34th AGM and the Annual Report 2016-17 will be available on the Company's website, <http://www.kcl.co.in>. The physical copies of the documents will also be available at the Company's Corporate office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: Plot No 297, Sector-24 Faridabad, Haryana.
 16. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment / re-appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
 17. Mr. Vikas Kumar Verma, Partner, M/s. Vikas Verma & Associates, Practicing Company Secretaries (Membership No. FCS .9192, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
 18. The Members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 19. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the

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meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.

20. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
21. A member who has not received the Postal Ballot Form may request the Company for a duplicate form. The Postal Ballot Form/duplicate Postal Ballot Form duly completed in all respects, enclosed in self addressed, postage pre-paid envelop should reach the Scrutinizer before 05.00 P.M. on 27th September, 2017. The Postal Ballot received after the said date will be treated as not having been received.

The instructions for e-voting through electronic means are as under-

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 25th September, 2017 (9:00 am) and ends on 27th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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- V. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
- (i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password.
 - (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsd.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put your user ID and password. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select “EVEN” of “M/s KCL Limited”.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant

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Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to vikasverma@vvanda.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number) USER ID /PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September 2017.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the

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cut-off date i.e. 21st September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Vikas Kumar Verma, Practicing Company Secretary (Membership No. FCS: 9192) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.kcl.co.in and on the website of NSDL immediately after the declaration of result by the Chairman or a

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person authorized by him in writing. The results shall also be immediately forwarded to the Metropolitan Stock Exchange of India Limited, Mumbai.

Other Instructions:

- The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 21st September, 2017.
- A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 21st September, 2017, only shall be entitled to avail the facility of remote e-voting / voting at AGM.
- Any person, who acquires shares and become Member of the Company after the dispatch of the notice and holds shares as of the cut-off date i.e. 21st September, 2017 may obtain the login ID and password in the manner mentioned above. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on www.evoting.nsdl.com.
- The remote e-voting period will commence on Monday, 25th September, 2017 (9.00 A.M.) and ends on Wednesday, 27th September, 2017 (5.00 P.M.). The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
- The Scrutinizer(s) shall immediately after the conclusion of voting at the Meeting, count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company. The Scrutinizer(s) shall submit a consolidated Scrutinizers’ Report of the votes cast in favour or against, if any, not later than 3 (Three) days of conclusion of the Meeting to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or any other person authorized by him in writing shall declare the results of the voting forthwith.
- The Result declared along with the Scrutinizers’ Report shall be placed on the Company’s website: www.kcl.co.in and on the website of NSDL immediately after the results are declared by the Chairman or any other person authorized by him and the Company shall, simultaneously, forward the results to the concerned Stock exchange where its equity shares are listed.

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By Order of the Board
For KCL LIMITED
SD/-
(Amit Aggarwal)
Company Secretary

Date: 05th September 2017
Place: Faridabad

Annexure-A

Details of Directors Retiring By Rotation/ Seeking Appointment/Re-Appointment At The Ensuing Annual General Meeting

Name of Directors	Rajeev Khemka	Deeptanshu Khemka
Age	50	26
Qualifications	B.Com	B.tech from UK and MBA from Mumbai
Experience (including expertise in specific functional area)/Brief Resume	30 Years of wide experience in Financial matters and Production	4 years
Terms and Conditions of Appointment /Reappointment	As per the agreement	As per the agreement
Remuneration last drawn (including sitting fees, if any)	325000	75000
Date of first appointment on the Board	30/09/1985	08/03/2016
Shareholding in the Company as on March 31, 2017	246325	12000
Relationship with other Directors / Key Managerial Personnel	Brother of Ashish Khemka	Son of Rajeev Khemka.
Number of meetings of the Board attended during the year	15 (Fifteen)	15 (Fifteen)
Directorships of other Boards as on March 31, 2017	Nil	Nil
Membership / Chairmanship of Committees of other Boards as on March 31, 2017	Member in CSR Committee.	Nil

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DIRECTOR'S REPORT

To
The Members,

Your Directors have pleasure in presenting the 34th Annual Report of the Company together with the Audited Accounts for the financial year ended on March 31, 2017.

1. FINANCIAL PERFORMANCE

The comparative financial position of the Company for the year under report and the previous year is as follows in accordance with the provisions of the Companies Act, 2013 & rules made thereon:

Particulars	(Rs. In Lacs)	
	31st March, 2017	31st March, 2016
Total Income	21747.53	19781.62
Less:- Expenditure	20321.54	18852.62
Profit Before Tax for the Year	1425.98	929.00
- Provision for Taxation	254.47	269.65
Profit After Tax for the Year	1171.51	659.35

2. STATE OF AFFAIRS OF THE COMPANY

The Company has undertaken expansion cum modernization of its operations & installed its new unit at land allotted by Sri-city Private Limited, Located at DTZ, Plot no 900, Rosewood Drive, Chittoor District, (Andhra Pradesh) for manufacturing of corrugated boxes on its automatic imported plant, to serve its prospective clients in southern area of the country. The Company has made major investment of about Rs.43.91 Crores on this unit up to 31.03.2017. The company envisages to make further investment on this unit.

The other units of the company are performing well, in spite of the downfall in market and increase in the input cost.

The overall performance of the company shows improved working results for the year under consideration.

Subsidiary Companies, Joint Venture and Consolidated Financial Statements

During the period under review the Company does not have any Subsidiary.

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2. RESERVES

Your company has transferred profits of Rs. 6 Crore to General reserve.

3. DIVIDEND

The Directors, keeping into consideration the ever broadening horizon and further cash flow requirements for repayment of term loans and additional working capital needs of the company do not recommend any dividend for the financial year 2016-2017.

4. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this Report.

5. CHANGES IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended March 31, 2017.

6. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL INCLUDING THOSE WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Rajeev Khemka, Whole-time Director, is due to retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

The details of Director being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company

Mr. Deeptanshu Khemka was appointed as an Additional Director of the Company on March 08th, 2016 and regularize in the meeting of shareholders held at September 30, 2016.

Appropriate Resolution(s) seeking your approval to the appointment/ re-appointment of Directors are also included in the Notice.

7. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the financial year 2016-2017, the Board of Directors of the Company, met (14) times on, April 01st 2016, April 16th 2016, May 16th 2016, May 30th 2016, June 28th 2016, July 22nd 2016, August 17th, 2016, September 05th 2016, September 19th 2016, September 30th 2016, October

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05th 2016, December 29th 2016, 14th February 2017.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, hereby state and confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along-with the proper explanation and there are no material departures;
- b) the Directors had 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 at the end of the Financial Year and of the profit and loss of the company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis.
- e) the internal financial controls to be followed by the Company were laid down and such internal financial controls are adequate and operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

10. NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of the Company in its Meeting held on 13th February 2017, approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are – Company Philosophy, Guiding Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel

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11. FORMAL ANNUAL EVALUATION

In line with the statutory requirements enshrined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out a performance evaluation of itself, its Committees, the Chairman and each of the other Directors. As in previous year, this was carried out on the basis of framework approved by the Nomination and Remuneration Committee. The Committee had unanimously consented for an 'in-house' review built on suggestive parameters. Based on the suggestive parameters approved by the Nomination and Remuneration Committee, the following evaluations were carried out:

- Review of Board as a whole by all the Members of the Board
- Review of all Board Committees by all the Members of the Board
- Review of Individual Directors by rest of the Board Members except the Director being evaluated

12. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No. MGT – 9 forms part of the Board's Report and is annexed herewith as ANNEXURE - I

13. AUDITORS

a) Statutory Auditors

The Statutory Auditors, M/s Borar & Associates Chartered Accountants, (FRN 003935N) will retire at the ensuing Annual General Meeting scheduled to be held on Thursday, 28th September, 2017. The Board of Directors of the company in their meeting held on 30th June 2017 has proposed to appoint M/s Rohit Baid & Co., Chartered Accountants (FRN 031122N), Faridabad as Statutory Auditors of the Company to hold office for a tenure of 5 Years starting from the conclusion of 34th Annual General Meeting of the company till conclusion of 39th Annual General Meeting. In terms of provisions of Section 139(1) of the Companies Act, 2013, the appointment of Statutory Auditors shall be placed for ratification at every Annual General Meeting.

Further, existing Statutory Auditors of the company M/s Borar & Associates, Chartered Accountants have submitted their Report on the Accounts of the company for the accounting year ended 31st March, 2017. Auditors' Report is self explanatory and requires no comments.

b) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed there under, M/s Vikas Verma & Associates were appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending March 31, 2017. A Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as ANNEXURE –II. There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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During the financial year ended March 31, 2017, no Loans, Investment or guarantee u/s 186 of the Companies Act, 2013 was made by the Company

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC-2 in ANNEXURE – III and form part of this Report.

16. DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE ACT

The Company has not accepted any deposits during the year under review.

17. CORPORATE GOVERNANCE

Pursuant to the provisions of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the provisions of the Corporate Governance are not applicable to the *Companies having paid up equity share capital not exceeding Rs. 10 Crore and Net Worth not exceeding Rs. 25 Crore, as on the last day of previous financial year or on the Companies listed on Stock Exchange.*

In view of above, as per the latest Audited Financial Statement of the Company as at 31st March 2017, the paid-up Equity Share Capital and Net Worth of the Company does not exceed the respective threshold limit of Rs. 10 Crore and Rs. 25 Crore, as aforesaid; hence compliance with the provisions of the Corporate Governance are not applicable to the Company.

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of its initiatives under “corporate social responsibility (CSR)”, the company has contributed funds for the scheme of eradicating hunger & poverty, promotion of education. The contributions in this regard have been made to the registered trusts & NGO's which are undertaking these schemes.

The Annual Report on CSR Activities is annexed herewith as : Annexure IV

19. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report as Annexure- V.

20. AUDIT COMMITTEE

The Board of Directors of the Company has constituted Audit Committee u/s 177 of the Companies Act, 2013 consisting of 3 (Three) members Mr. Sunil Bansal Mr. Rahul Jain & Mrs. Chandra Kala Khemka all of them being Independent Directors of the Company. Mr. Sunil Bansal is the chairman of the audit committee.

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The Company Secretary acts as the secretary to the audit committee. The primary objective of the audit committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The audit committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors, and notes the processes and safeguards employed by each of them. The audit committee has the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent auditors in accordance with the law. All possible measures must be taken by the audit committee to ensure the objectivity and independence of the independent auditors.

All recommendations made by the audit committee during the year were accepted by the Board.

21. AUDIT COMMITTEE ATTENDANCE

The audit committee held 4 (four) meetings during the year ended March 31, 2017. These were held on 05/05/2016, 12/08/2016, 05/10/2016 & 13/02/2017. The attendance details of the audit committee meetings are as follows:

Names Of Directors	No. of Board Meeting held	No. of meetings attended
Mr. Sunil Bansal	4	4
Mr. Rahul Jain	4	4
Mrs Chandra Kala Khemka	4	4

22. RISK MANAGEMENT POLICY

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management policy for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the corporate governance report, which forms part of this report.

23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

24. CREDIT RATINGS

During the year under review CRISIL, A SEBI, RBI & NSIC registered credit rating agency in India, has assigned Bank rating BBB for Long-term bank facilities and the Outlook of which is Stable regarding timely servicing of financial obligations and A3+ for Short-term bank facilities.

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25. LISTING OF SECURITIES

During the year the shares of the Company got listed on the "Metropolitan Stock Exchange of India Limited" (MSEI). Subsequent to the notification of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). During the year, the Company has entered into "Uniform Listing Agreement" with the Stock Exchanges for listing of its securities, namely, "Metropolitan Stock Exchange of India Limited" in order to carry out a novation of the erstwhile Listing Agreement. The listing fee for the year 2016-17 has been paid to the credit of the Stock Exchanges.

26. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE OUTGO

Conservation Of Energy:

- 1) The company has taken several effective steps to consumption of the electrical units.
- 2) The company is engaged in manufacturing of corrugated boxes and printed duplex board cartons & breakfast cereals, which don't fall in the schedule of industries requiring information specified in the prescribed form. Hence the details of energy conservation have not been furnished.

Technology absorption, adaption and innovation:

The company has adopted latest technologies, processes, designs and machineries to manufacture Quality packaging products & breakfast cereals.

Research and Development (R&D):

The company has in house research and development facilities.

Foreign exchange earnings and outgo:

<i>Foreign exchange earnings and outgo</i>	2016-17	2015-16
Earning for value of exports on F.O.B basis	NIL	NIL
Expenditure in foreign currency :		
a) Raw Material	96052991	113800587.9
b) Repairs & Maintenance(P&M)	1932905	1167235.04
c) Capital Goods	262856156	52944727
d) Traveling Expenses	6879903	9610319

27. Particulars of employees

Information as per Section 134 of the Companies Act, 2013 read with Companies (Particulars of Employees) Amendment Rules, 2011 are given in the statement which form a part of this report.

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However as per the provisions of section 136 of the Companies Act, 2013, the report and accounts are being sent to all shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining a copy of the particulars may write to the Company's Registered Office.

28. MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Agreement, 2015 with the stock exchanges is presented as a separate section forming part of this report.

29. DISCLOSURE REQUIREMENTS

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

- a. Details relating to deposits covered under Chapter V of the Act.
- b. Issue of equity shares and differential rights as to dividend, voting or otherwise.
- c. Issue of Shares (including sweat equity shares) to employees of the Company under any scheme.
- d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- e. Company does not have any subsidiary.

30. ACKNOWLEDGEMENTS

Your Directors place on record their sincere appreciation of the services rendered by the employees of the Company. They are grateful to shareholders, bankers, depositors, customers and vendors of the company for their continued valued support. The Directors look forward to a bright future with confidence.

Date: 30.06.2017
Place: Faridabad

By the order of the board
For KCL Limited

Sd/-
(Shyam Sunder Khemka)
Managing Director
DIN - 00103387

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Annexure- I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

(as on financial year ended on March, 31, 2015)

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

I. REGISTRATION & OTHER DETAILS:

- i) CIN : L74899DL1983PLC068008
- ii) Registration Date: 21/01/1983
- iii) Name of the Company: KCL LIMITED
- iv) Category/ Sub-category of the Company: Company Limited By Shares/ Indian Non-Government Company
- v) Address of the Registered office & contact details
E-292, Sarita Vihar, New Delhi-110044
E-mail: cs@kcl.co.in
Tel: 0120-2232417
- vi) Whether listed company : Yes
- vii) Name, Address & contact details of the Registrar & Transfer Agent, if any.
M/s Beetal Financial & Computer Services Pvt Ltd. ,
3rd Floor, 99 Madangir, BH-Local Shopping Complex,
Near Dada Harsukhdas Mandir, New Delhi-110062

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
01	Manufacturing of corrugated boxes, duplex cartons and other containers.	1702	95.56%

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
	NIL				

Continued....

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IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	1186110	235800	1421910	47.40	1186110	235800	1421910	47.40	N/A	N/A
b) Central Govt.or State Govt.										
c) Bodies Corporates										
d) Bank/Fl										
e) Any other	368600	21600	390200	13.00	368600	21600	390200	13.01	N/A	N/A
SUB TOTAL:(A) (1)	1554710	257400	1812110	60.40	1554710	257400	1812110	60.41		
(2) Foreign										
a) NRI- Individuals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
b) Other Individuals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
c) Bodies Corp.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d) Banks/Fl	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
e) Any other...	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SUB TOTAL (A) (2)										
Total Shareholding of Promoter										
(A)= (A)(1)+(A)(2)										
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
b) Banks/Fl	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
c) Cenntrol govt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d) State Govt.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
e) Venture Capital Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
f) Insurance Companies	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
g) FIIS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
h) Foreign Venture Capital Funds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
i) Others (specify)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SUB TOTAL (B)(1):										
(2) Non Institutions										
a) Bodies corporates	1600	835800	837400	27.91	1600	835800	837400	27.91	N/A	N/A
i) Indian	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ii) Overseas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	8100	66800	74900	2.50	8100	66800	74900	2.50	N/A	N/A
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs		275675	275675	9.19		275675	275675	9.19	N/A	N/A
c) Others (specify)										
Non Resident Indians										
SUB TOTAL (B)(2):	9700	1178275	1187975	39.60	9700	1178275	1187975	39.60	N/A	N/A
Total Public Shareholding										
(B)= (B)(1)+(B)(2)	9700	1178275	1187975	39.60	9700	1178275	1187975	39.60	N/A	N/A
C. Shares held by Custodian for GDRs & ADRs									N/A	N/A
Grand Total (A+B+C)	1564410	1435675	3000085	39.60	1564410	1435675	3000085	39.60	N/A	N/A

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(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Mr. Shyam Sunder Khemka	526260	17.53	N/A	526260	17.53	N/A	N/A
2	Mr. Sanjeev Khemka	264,875	8.83	N/A	264,875	8.83	N/A	N/A
3	Mr. Rajeev Khemka	246325	8.21	N/A	246325	8.21	N/A	N/A
4	Mr. Ashish Khemka	331350	11.04	N/A	331350	11.04	N/A	N/A
5	Mrs Vandana Khemka	77,600	2.59	N/A	77,600	2.59	N/A	N/A
6	Mrs Vandana Khemka	75,500	2.51	N/A	75,500	2.51	N/A	N/A
7	Mrs Chander Kala Khemka	390,200	13.06	N/A	390,200	13.06	N/A	N/A
	Total	1912110	63.77		1912110	63.77		

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1912110	63.77	N/A	N/A
	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)			N/A	N/A
	At the end of the year	1912110	63.77		

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

Sl. No	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding end of the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end 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
	At the beginning of the year	1912110	63.77	N/A	N/A
	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)			N/A	N/A
	At the end of the year	1912110	63.77%		

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

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	N/A	N/A	N/A	N/A	N/A
Punishment	N/A	N/A	N/A	N/A	N/A
Compounding	N/A	N/A	N/A	N/A	N/A
B. DIRECTORS					
Penalty	N/A	N/A	N/A	N/A	N/A
Punishment	N/A	N/A	N/A	N/A	N/A
Compounding	N/A	N/A	N/A	N/A	N/A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N/A	N/A	N/A	N/A	N/A
Punishment	N/A	N/A	N/A	N/A	N/A
Compounding	N/A	N/A	N/A	N/A	N/A

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Annexure-II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31/03/2017

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

To,
The Members,
KCL LIMITED,
E-292, SARITA VIHAR,
NEW DELHI -110044.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KCL Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and accordingly, expressing my opinion thereon.

Based on our inspection, verification of company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by KCL Limited ("the Company") for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)

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Regulations, 2009; (No transaction has been recorded during the Audit Period)

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (No transaction has been recorded during the Audit Period)
- e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (No transaction has been recorded during the Audit Period)
- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (No transaction has been recorded during the Audit Period)

As informed to us the following other laws specifically applicable to the company as under and as confirmed & declared by the management, the company has duly complied the same:-

1. The Employees Provident fund and Miscellaneous Provisions Act, 1952 along with labour laws
2. Employees State Insurance Act, 1948
3. Maternity Benefit Act, 1961
4. Payment Gratuity Act, 1972
5. Factories Act, 1949
6. Environmental Act, 1986 and its allied applicable laws

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

1. Secretarial Standard issued by The Institute of Company Secretaries of India.
2. The Listing Agreements/Regulations including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 entered into by the Company with Stock Exchange(s).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above save and except the following:-

1. The Company has complied the Regulation 33 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. Further, Company has filed unaudited quarterly financial results for quarter ended 31st December, 2016 on 13th June, 2017 i.e. beyond 45 days from the end of quarter.
2. The Company has not filled CHG-1 in respect of hypothecation for car loan amount to Rs. 90,00,000, Rs. 8,57,000 & Rs. 13,77,500 vide board resolutions dated 01st April, 2016, 16th April, 2016 & 19th September, 2016 respectively.

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3. Non Compliance of Section 185 of Companies Act, 2013 i.e. company has outstanding loans / advances of Rs. 942.68 Lakhs to KCL Milk Products India Private Limited, in whom the director is interested.

In respect to the other applicable laws specifically applicable to the Company, We have relied on information / records / declaration produced/furnished by the Company during the course of our audit and the reporting is limited to the extent.

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 there exist the system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board were unanimous and the same are captured and recorded as part of the minutes.

We further report that there is scope to improve the systems and processes in the company and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period there were no specific instances / events pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

Thanking you,
For M/s. Vikas Verma & Associates
Company Secretaries
SD/-
Vikas Kumar Verma

Date: -30th June, 2017
Place:- New Delhi

CP No. 10786
Membership No. F9192

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Annexure- IV

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 transactions under third proviso thereto:

- 1. Details of contracts or arrangements or transactions not at arm's length basis:** KCL Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2016-17.

- 2. Details of material contracts or arrangement or transactions at arm's length basis:** KCL Limited has entered into the following contract or arrangement or transaction with its related parties which is at arm's length during financial year 2016-17

Name of Related Party and Nature of Relationship	Nature of contracts/ arrangement/ transactions	Duration of contracts/ arrangement/ transactions	Salient terms of contracts/ arrangements/ transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance , if any
FHS	Rent Paid	As per Contract	6,24,000		Nil
Wellness Foods and KCL Milk	Purchases	As per Contract	Nil		Nil
Mr. Shyam Sunder Khemka and Mrs. Chander Kala Khemka	Rent Paid	As per Contract	47,40,000		Nil

By the order of the board
For KCL Limited

Place: Faridabad
Date: 30.06.2017

SD/-
(Rajeev Khemka)
Director
DIN: 00103260

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Annexure-IV

ANNUAL REPORT ON CSR ACTIVITIES

- 1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

The Company's CSR policy is aimed at demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation. Also embedded in this objective is support to the disadvantaged/marginalized cross section of the society by providing opportunities to improve their quality of life.

- 2. The composition of the CSR committee:**

Sl. No.	Name	Designation
01	Mr. Rajeev Khemka	Chairman
02	Mr. Sanjeev Khemka	Member
03	Mr. Sunil Bansal	Member

- 3. Average net profit of the company for last three financial years for the purpose of computation of CSR - Rs.9.27 Cr.**
- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.18.55 Lacs**
- 5. Details of CSR spent during the financial year:**
- (a) Total amount to be spent for the financial year: **Rs.18.55 Lacs**
 - (b) Amount unspent: **Rs.6.15 Lacs**
 - (c) Manner in which the amount spent during the financial year: **Attached**
- 6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

During the financial year 2016-17, the Company has carried over the unspent amount of Rs.6.15 Lacs under CSR Activities, which has been carried over to the next years. The company could not spend the balance amount on account of looking for the appropriate projects for CSR Activities, which has been reported in the Board of Directors Report.

- 7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

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SD/-
Shyam Sunder Khemka
Managing Director

SD/-
Rajeev Khemka
Chairman, CSR Committee

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

S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programmes (Local area or other)	Amount outlay (Budget) project or programs wise (Rs)	Amount Spent on the projects or programmes Sub Heads	Cumulative expenditure upto the reporting period (Rs)	Amount Spent: Direct or through implementing agency
1	Faridabad Industries Association	Providing Rickshaw to disabled or in rural areas	Bata Chowk, Faridabad	1,10,000/	Direct Expenditure	1,10,000/	Direct
2	Delhi Institute of Higher Education	Promoting Education	Model Town, New Delhi	1,40,000/	Direct Expenditure	1,40,000/	Direct
3	Khemka Charitable Trust	Charitable Activities	Faridabad	9,90,000/	Direct Expenditure	9,90,000/	Direct

Annexure-v

KCL LIMITED
(Formerly Known as Khemka Containers Limited)

MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry Structure and Development:

Packaging is an ever growing industrial sector in our country. On account of development in infrastructure, manufacturing, agriculture, service sector and change in life style of the people, the growth in packaging industry has also shown a fast growth. Nowadays the modern retailing channels such as supermarkets and hypermarkets is the main driver towards shifting to packaged goods. As these modern retail outlets are better equipped to showcase packaged products compared to India's traditional retail outlets, the role of packaging in influencing purchasing decisions in-store is greatly increasing and this has made packaging an even more important marketing tool than ever before. Demand for packaging of different types continued to rise in India, out of which Paper-based packaging materials are behind some of the most groundbreaking developments in the industry today. Paper and paper-based packaging is the largest sector in the worldwide market for packaging the products like Electrical & Electronic appliances, medicines, cosmetics, automobiles etc. Similarly food products more particularly healthy food & Breakfast cereals have shown a very significant growth through the retail market channels as such food products also having good market potentiality.

b) Opportunities and threats:

KCL Limited is one of the leading and largest company in Paper Packaging and Printing Industry in the Northern India. It has provided remarkable packaging solutions to a wide range of industry like: consumer durables, white goods, FMC, apparel and footwear, fresh produce, engineering and auto components, etc.

We believe that the following aspects of our business will help us to sustain our growth and grow even faster in the times to come,

- Packaging solution to the larger clients.
- Modern and latest packaging & food processing machineries.
- A range of healthy food products under the brand name "MURGINNS",

Even with the consistent growth of packaging, printing & food industry, there are still some difficulties faced by this industry;

- Rise in Input costs
- Lack of proper distribution channel
- More marketing moving online
- Competition with substitute forms of packaging international quality
- Rapidly changing technology in printing & packaging industry
- Very difficult to change taste of food products used by the customers

c) Segment wise Performance:

Company operations are focused in two primary Business Segments;

1. Packaging Products: Engaged in manufacturing of Corrugated boxes, Duplex boards & Printed Cartons situated at different locations.
2. Food Products : Engaged in manufacturing of Food products (Wafer sticks & Extruded cereals

KCL LIMITED
(Formerly Known as Khemka Containers Limited)

products & ready to use bakery products).

The Packaging products have major contribution towards total Revenue. However the food products are also picking up in the market.

d) Risk and Concerns:

- Huge investment on automatized machinery and R&D setup
- Competitive prices
- Adoption of latest quality processes and supply chains
- Food Products is a new Fine, which need more Publicity and Marketing.

e) Future Outlook:

- The future of the packaging market is certainly looking bright. Packaging is believed to be the key method of communicating the value added benefits of a product to the consumers.
- Packaging product has regular demand from our existing clients and new customers have aim shown their interest in our products on latest Corrugated/Printing Machinery and locational benefits for supply to southern parts of the country.
- Food products have made tied with big brands like: Heinz, Nestle, Cadbury, Reliance etc, to manufacture their products in their brand name.

f) Internal control systems and their adequacy:

The audit committee periodically reviews internal control system, which are designated to ensure that the over head levels are reduced to the minimum.

The Company's internal financial control systems are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

The audit committee deliberated with the members of the management, considered the systems as laid down and met the statutory auditors to ascertain, inter alia, their views on the internal financial control systems. The audit committee satisfied itself of the adequacy and effectiveness of the internal financial control system as laid down and kept the board of directors informed.

g) Human resources/ industrial relations and Employee Base:

The company, with a total employee strength of 400 as of year end 2016-17, continues to accord high priority to human resource development. The human resource (HR) strategy is focused on creating a performance-driven environment in the Company, where innovation is encouraged, performance is recognized and employees are motivated to realize their potential.

HR is the core of the Company, influencing change, building culture and capabilities. The HR processes are continuously evolving and aligning with the changing business requirements. HR is

KCL LIMITED
(Formerly Known as Khemka Containers Limited)

structured into the specialized business units to enable them respond better to the needs of their customers and get more strategic advantage. The HR organization is equipped with multicultural leaders capable to handle tremendous volatility in the economic, regulatory and cultural sphere around the world.

h) Discussion on financial performance with respect to operational performance:

The Key features of the Company's Financial performance for the year ended 31st March, 2017 are presented in the Financial statements, which have been prepared in accordance with the provisions of the Companies Act, 2013 and accounting principles generally accepted in India, and in compliance with the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

i) Cautionary Statements

Statements made in this report forming part of the disclosure related to management, discussion and analysis describing the company's objectives, projections, estimates and expectations maybe forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ material from those expressed or implied. Important factors that could influence the company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, finance costs, changes in government regulations, tax laws and other factors such as industrial relations.

j) Acknowledgement

The directors of the company wish to express their appreciation for the continued co-operation of the central and state governments, bankers, financial institutions, customers, dealers and suppliers and all the valuable assistance received from the shareholders. The directors also wish to thank all the employees of the company for their contribution, support and continued co-operation throughout the year.



BORAR & ASSOCIATES
CHARTERED ACCOUNTANTS

35, Neelam Bata Road
NIT Faridabad - 121001
Ph.: 9810006806
Email: borar2006@yahoo.co.in

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KCL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **KCL LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March 2017, the Profit and Loss Statement, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required, give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2017 and its Profit and its Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Profit and Loss Statement and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - 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 B"; and



- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No.29.B to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 17.1 to the financial statements.

For BORAR & ASSOCIATES
Chartered Accountants
(Registration No. 003935N)

CA R.L.BORAR
Proprietor
Membership No. 081152

Place: Faridabad
Date: 30.06.2017



ANNEXURE A TO INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KCL LIMITED

(Referred to in paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the management has physically verified its fixed assets at reasonable intervals during the year and no material discrepancy was noticed on such verification.

(c) The title deeds of immovable properties in its fixed assets are held in the name of company *except as disclosed in note no. 29.3 of the Financial Statement.*
- ii. The management of the company has conducted physical verification of Inventories at reasonable intervals and no material discrepancies were noticed on such physical verification of inventories as compared to book records.
- iii. The Company has granted unsecured loans, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(a) *On the basis of information & explanations given to us and based on our verification, we are of the opinion that the terms and conditions of granting of loans are prejudicial to the company's interest on account of granting such loans as interest free to the parties covered under section 189 of the Companies Act, 2013, having outstanding balance of Rs.948.89 Lakhs as at 31.03.2017.*

(b) *There is no pre-determined schedule for repayment of principal amount of such loans; however, as explained to us by the management of company, such loans are repayable on demand.*

(c) *Since there is no pre-determined schedule for repayment of granting such interest free loans and therefore, we are unable to make any specific comment on the amount overdue, if any.*
- iv. *During the year under review the company has outstanding loans / advances to the persons in whom the director is interested and at the close of year 31.03.2017 an amount of Rs.948.89 Lakhs was outstanding against such loans / advances and therefore we are of the opinion that provisions of Section 185 of the Companies Act, 2013, has not been complied with by the company and so far as the provisions of Section 186 of the Companies Act, 2013, has been concerned, it is not applicable on the company.*
- v. The Company has not accepted any deposit from the public, therefore provisions of Section 73 to 76 or any other relevant provisions of the companies Act, 2013 are not applicable to the Company.



- vi. The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, for the activity conducted by the Company and we are of the opinion that prima facie the prescribed accounts and records have been maintained. However we have not made detailed examination of such accounts and records.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable *except income tax demand of Rs.3,24,051/- related to A.Y. 2009-10 to A.Y. 2013-14.*

(b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute *except as under:*

Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where disputes is pending
Excise & Taxation, Himachal Pradesh	Sales Tax	Rs.13,14,445/-	F.Y. 2010-11	Additional Excise and Taxation, Commissioner-Cum -Appellate Authority, Himachal Pradesh

- viii. During the year under review, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- ix. During the year under review, no money has been raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purpose for which those raised.
- x. According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanation given to us and based on our examination of the records of the company, the company has paid or provided for the 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. Accordingly, this clause is not applicable.
- xiii. According to the information and explanations given to us, transactions with related parties, are in compliance with Section 177 and Section 188 of the Companies Act, 2013 and detail thereof have been disclosed in the Financial Statement as required by the applicable accounting standards;
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the requirement of Section 42 of the Companies Act, 2013 are not applicable.
- xv. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and therefore, the provisions of Section 192 of Companies Act, 2013 are not applicable to the company.
- xvi. The company is not a Non-Banking Financial Company (NBFC) and therefore registration requirement under section 45-IA of the Reserve Bank of India Act, 1934, is not applicable to the company.

For BORAR & ASSOCIATES
Chartered Accountants
(Registration No. 003935N)

CA R.L.BORAR
Proprietor
Membership No. 081152

Place: Faridabad
Date: 30.06.2017



ANNEXURE –B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KCL 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 were engaged to audit the internal financial controls over financial reporting of **KCL LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the 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"]. 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 the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For BORAR & ASSOCIATES
Chartered Accountants
(Registration No. 003935N)

CA R.L.BORAR
Proprietor
Membership No. 081152
Place: Faridabad
Date: 30.06.2017



KCL LIMITED

CIN-174899DL1983PLC068008

Balance Sheet as at 31st March, 2017

	Note No.	Amount in Rs	
		As at 31-Mar-2017	As at 31-Mar-2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	1	30,000,850	30,000,850
Reserves and Surplus	2	786,561,205	669,409,734
		816,562,055	699,410,584
Non Current Liabilities			
Long Term Borrowings	3	361,074,447	76,610,295
Deferred Tax Liability (Net)	4	9,647,400	-
Other Long Term Liabilities	5	21,259,075	-
Long Term Provisions	6	4,502,067	5,940,688
		396,482,989	82,550,983
Current Liabilities			
Short Term Borrowings	7	117,851,207	84,153,530
Trade Payables	8	-	-
-Micro, Small and Medium Enterprises		-	-
-Others		204,109,294	242,248,931
Other Current Liabilities	9	133,654,373	77,373,483
Short Term Provisions	10	11,007,256	3,222,956
		466,622,130	405,998,900
TOTAL		1,679,667,174	1,188,960,467
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	11	879,767,302	436,101,964
Intangible Assets		1,595,534	4,330,942
Capital Work-In-Progress		114,061,182	105,019,561
		995,424,018	545,452,467
Non Current Investment	12	5,375,100	5,375,100
Deferred Tax Assets (Net)	4	-	15,516,700
Long Term Loans & Advances	13	45,847,618	19,028,596
Other Non Current Assets	14	687,849	1,505,095
		1,047,334,585	586,877,958
Current Assets			
Inventories	15	94,926,431	91,283,816
Trade Receivables	16	335,475,771	337,829,956
Cash and Bank Balances	17	19,800,509	34,931,444
Short Term Loans and Advances	18	182,129,877	138,037,293
		632,332,588	602,082,509
TOTAL		1,679,667,174	1,188,960,467

Significant Accounting Policies

Notes on Financial Statements

1 to 33

As per our report of even date

For and on behalf of the Board of Directors

For BORAR & ASSOCIATES

CHARTERED ACCOUNTANTS

FRN No.003935N

SHYAM SUNDER KHEMKA
(Chairman Cum Managing Director)
DIN No 00103387

RAJEEV KHEMKA
(Director)
DIN No 00103260

(CA R.L.BORAR)

PROPRIETOR

M.NO.081152

Place : Faridabad

Dated : 30.06.2017

SANJEEV KHEMKA
(Director)
DIN No 00103295

ASHISH KHEMKA
(Director)
DIN No 00103321

AMIT AGGARWAL
(Company Secretary)



KCL LIMITED

Profit & Loss Statement for the year ended 31st March, 2017

		Amount in Rs	
	Note No.	YEAR ENDED 31-Mar-2017	YEAR ENDED 31-Mar-2016
INCOME			
Revenue from Operations	19	2,305,161,426	2,095,433,325
Less: Excise Duty		131,617,799	120,549,648
Net Revenue from Operations		2,173,543,627	1,974,883,677
Other Income	20	1,209,614	3,279,321
Total Revenue		2,174,753,241	1,978,162,998
EXPENSES			
(a) Cost of Raw Materials Consumed	21	1,443,047,010	1,380,681,365
(b) Changes in Inventories of Finished Goods & Work-In-Progress	22	5,410,842	-2,873,149
(c) Employee Benefits Expense	23	143,497,761	173,117,973
(d) Finance Costs	24	14,733,859	12,586,521
(e) Depreciation and Amortization Expenses	25	77,502,186	72,525,074
(f) Other Expenses	26	347,963,076	288,894,485
Total Expenses		2,032,154,734	1,885,262,269
Profit before tax & exceptional items		142,598,507	92,900,729
Less: Exceptional Items		0	0
Profit before Tax		142,598,507	92,900,729
Tax expense:			
Current Tax		31,540,000	29,210,000
Mat Credit Entitlement		31,540,000	0
Current Tax (Net)		0	29,210,000
Income Tax related to earlier years		282,936	653,770
Net Current Tax Expense		282,936	29,863,770
Deferred Tax Adjustment		-25,164,100	2,898,397
Profit for the year		117,151,471	65,935,356
Earnings per Equity Share of face value of Rs.10/- each			
Basic and Diluted (in Rs.)	27	39.05	21.98

Significant Accounting Policies

Notes on Financial Statements

1 to 34

As per our report of even date

For and on behalf of the Board of Directors

For BORAR & ASSOCIATES

CHARTERED ACCOUNTANTS

FRN No.003935N

SHYAM SUNDER KHEMKA
(Chairman Cum Managing Director)
DIN No 00103387

RAJEEV KHEMKA
(Director)
DIN No 00103260

(CA R.L.BORAR)
PROPRIETOR
M.NO.081152
Place : Faridabad
Dated : 30.06.2017

SANJEEV KHEMKA
(Director)
DIN No 00103295

ASHISH KHEMKA
(Director)
DIN No 00103321

AMIT AGGARWAL
(Company Secretary)



KCL LIMITED

CIN-L74899DL1983PLC068008

Cash Flow Statement for the year 2016-2017

Amount in Rs.

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Net Profit before Tax		142,598,507		92900729
<i>Add</i>				
loss on sales of fixed assets	258206		0	
Depreciation and Amortisation	77502186		72525074	
Provision for Gratuity & Leave Encashment	(1438621)		(280896)	
Provision for CSR Expenses	615000			
Finance Costs	14733859		12586521	
		91670630		84830699
<i>less</i>				
Profit on Sale of Assets	0		(754816)	
Interest Income	839410		2362652	
Dividend Income	0		8639	
		839410		1616475
Operating Profit before Working Capital changes		233429727		176114953
<i>Changes in Working Capital:</i>				
<i>Adjustments for (increase) / decrease in Operating Assets:</i>				
Inventories	(3642615)		-19426399	
Trade Receivables	2354185		(63429456)	
Short Term Loans and Advances	(12552584)		-6084526	
Other Non Current Assets	817246		(1466713)	
<i>Adjustments for increase / (decrease) in Operating Liabilities:</i>				
Trade Payables	(38139637)		-92389083	
Other Current Liabilities	56280890		-15405390	
	5117485	5117485	17387379	17387379
Cash generated from Operations		238547212		193502332
Interest Paid	14,733,859		12586521	
Income Tax Paid (Net of Refunds)	24653636		34528216	
	39387495	39387495	47114737	47114737
Net Cash Flow from Operating Activities (A)		199159717		146387595
B. Cash Flow from Investing Activities				
Capital Expenditure on Fixed Assets, including capital Advances	528835254		212745832	
Increase in Investment	0		0	
Increase/decrease in Long Term Capital Advances	-26819022		3575774	
Proceeds from Sale of Fixed Assets	1103311		2113599	
Interest Received	839410		2362652	
Dividend Received	0		8639	
	553711555		204685168	
Net Cash Flow from / (used in) Investing Activities (B)		553711555		204685168



	For the year ended 31st March, 2017		For the year ended 31 st March, 2016	
C. Cash flow from Financing Activities				
Proceeds from Long Term Borrowings	305723227		37452638.00	
Net increase / (decrease) in Working Capital Borrowings	33697677		20347171.00	
Net Cash Flow from / (used in) Financing Activities (C)		339420904		57799809
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		(15130935)		(497764)
Cash and Cash Equivalents at the beginning of the year		34,931,444		35,429,208
Cash and Cash Equivalents at the end of the year		19,800,509		34,931,444
Cash and Cash Equivalent consists of cash in hand and balances with banks.				
Cash and cash equivalents included in the cash flow statement comprise of following balance sheet amount as per note no.16.				
Cash and Cash Equivalents at the end of the year				
* Comprises:				
(a) Cash on hand	682368		937295	
(b) Balances with Banks				
(i) In Current Accounts	2,397,603		3,272,638	
(ii) In Margin Money Accounts	16,720,538		5,767,538	
(iii) In Deposit Accounts with Original Maturity of less than 3 months	0		24,953,973	
		19,800,509		34,931,444
As per our report of even date For BORAR & ASSOCIATES CHARTERED ACCOUNTANTS FRN No.003935N	For and on behalf of the Board of Directors			
	SHYAM SUNDER KHEMKA (Chairman Cum Managing Director) DIN No 00103387	RAJEEV KHEMKA (Director) DIN No 00103260		
(CA R.L.BORAR) PROPRIETOR M.NO.081152 Place : Faridabad Dated : 30.06.2017	SANJEEV KHEMKA (Director) DIN No 00103295	ASHISH KHEMKA (Director) DIN No 00103321	AMIT AGGARWAL (Company Secretary)	



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

SIGNIFICANT ACCOUNTING POLICIES

(I) Basis of preparation of financial Statements.

The accompanying financial statements have been prepared in compliance with the requirements under section 133 of the Companies Act, 2013 (to the extent notified), read with Rule 7 of the Companies (Accounts) Rules, 2014, and other generally accepted accounting principles (GAAP) in India, to the extent applicable, under the historical cost convention, on the accrual basis of accounting. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006. The accounting policies adopted in the preparation of financial statements are consistent with those of previous years.

(II) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

(III) Classification of Assets and Liabilities

Schedule III to the Companies Act, 2013 requires assets and liabilities to be classified as either Current or Non-current.

(a) An asset shall be classified as current when it satisfies any of the following criteria:

(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is expected to be realized within twelve months after the reporting date; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

(b) All assets other than current assets shall be classified as non-current.

(c) A liability shall be classified as current when it satisfies any of the following criteria:

(i) it is expected to be settled in the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is due to be settled within twelve months after the reporting date; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

(d) All liabilities other than current liabilities shall be classified as non-current.

(IV) Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has ascertained the operating cycle as twelve months for the purpose of current or Non-current classification of assets and liabilities.

(V) Inventories

Raw Material, Work-In-Process, Finished goods are valued at lower of cost and net realisable value, after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. Cost is computed on the weighted average basis and is net of CENVAT, where as Stores and Spares parts are valued at cost on basis of FIFO method. Finished Goods, Work in Process includes cost of conversion and other cost incurred in bringing the inventories to their present location and condition.



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

VI) Fixed Assets

Tangible Assets

All tangible assets are stated at cost. Cost included related taxes, duties, freight etc. and is net of Cenvat and Vat credits. The

Company has charged depreciation on W.D.V. Method as per useful life prescribed in Schedule II of the Companies Act, 2013.

Pre-operative expenses related to projects are capitalised and apportioned to various assets on commissioning of the projects.

Borrowing costs eligible for capitalisation incurred in respect of acquisition/construction of a qualifying assets, till the asset is substantially ready for use are capitalised as part of the cost of that assets.

Intangible Assets

The cost of software acquired comprise their purchase price, including any duties and other taxes (other than those subsequently recoverable by the company from the taxing authorities) and any directly attributable expenditure on their acquisition.

(VII) Revenue Recognition

The Company generally follows Mercantile System of Accounting and recognises significant items of income and expenditure on accrual basis except claims those with significant uncertainties e.g insurance claims which are accounted for on cash basis.

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the customers and is stated inclusive of excise duty & sales tax. Revenue from the sale of goods is stated at net after adjusting the returns, rebates & discounts.

Interest income is recognized on at time proportion basis taking into account the amount outstanding and the rate applicable.

VIII) Borrowing Costs

Cost of borrowed funds for the project are capitalised and included in the cost of fixed assets till its completion and any other borrowing costs are recognised as an expenses in the period in which they are incurred.

(IX) Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transactions. At the year monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rate. Exchange difference arising out of actual payments/ realizations and form the year and restatement are recognized in the statement of profit and loss.

X) Investments- Long Term Investment are stated at cost

XI) Depreciation

Depreciation on Tangible Fixed Assets is provided to the extent of depreciable amount on Written Down Value Method (WDV). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Intangible assets i.e. software is depreciated over an estimated useful life of 3 years.



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

XII) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

XIII) Excise Duty :

Excise duty has been accounted on the basis of both payments made in respect of goods cleared and also provision made for goods lying in bonded warehouse.

XIV) Subsidies

Government grants available to the company are recognised when there is a reasonable assurance to compliance with the conditions attached to such grants and where benefits in respect thereof have been earned and it is reasonably certain that the ultimate collection will be made. Government subsidy in the nature promoters' contribution is credited to capital reserve. Government subsidy for specific asset is reduced from cost of the said asset.

XV) Employees Benefits :-

i) Contribution to the Employee State Insurance scheme & Provident Fund with the government at pre-determined rates is a defined contribution scheme and is charged to the Profit & Loss Account. There are no other obligations other than contribution of ESI & PF Scheme.

ii) Liability in respect of Gratuity has been provided for in the books of accounts as per the information available as on Balance Sheet date calculated in accordance with the Payment of Gratuity Act, 1972 and liability in respect of Earned leave has been provided on estimated basis. Further the company has taken a policy under Employees Group Gratuity Scheme with Life Insurance Corporation of India. The payment of contribution has been adjusted against the Provision for Gratuity in the respective years.

XVI) Cash & Cash Equivalents

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

XVII) Cash Flow Statement

Cash flow are reported using indirect method, whereby profits before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from Operating, Investing and Financing activities of the company are segregated.

(XVIII) Current and Deferred Tax

Tax expensed for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized for all the timing differences, subject to the considerations of prudence in respect of deferred tax assets.

Deferred tax assets are recognized and carried forwards only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rate and tax laws that have been enacted by the Balance Sheet date.



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

(XIX) Provision and Contingent Liabilities.

Provision are recognized when there is a present obligation as a result of past event, it is probable that an outflow of resources embody economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provision are measured at the best estimates of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an out flow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

(XX) Earnings per Share

Basis earning per share is calculated by dividing the net profit or loss for the period attributable to equity share holder by the number of equity share outstaying at the end of the year. Earning considered in ascertaining the companies per share is the net profit attributable to equity share holder.



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation

1. SHARE CAPITAL

	As at 31-Mar-2017	As at 31-Mar-2016
<u>Authorised Share Capital:</u>		
50,00,000 Equity Shares of Rs.10/- each	50000000.00	50000000.00
-5,000,000	<u>50000000.00</u>	<u>50000000.00</u>
 <u>Issued, Subscribed and Paid up Capital:</u>		
30,00,085 Equity Shares of Rs.10/- each	30000850.00	30000850.00
(30,00,085) fully paid up		
 TOTAL	<u>30000850.00</u>	<u>30000850.00</u>

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

Name of the Shareholder	As at 31-Mar-2017		As at 31-Mar-2016	
	No. of Shares	% held	No. of Shares	% held
Sh. Shyam Sunder Khemka	526260	17.54	526260	17.54
Smt. Chandra Kala Khemka	390200	13.01	390200	13.01
Sh. Rajeev Khemka	246325	8.21	246325	8.21
Sh. Sanjeev Khemka	264875	8.83	264875	8.83
Sh. Ashish Khemka	331350	11.04	331350	11.04
M/s Khemka Leasing Private Limited	484500	16.15	484500	16.15
M/s Khemka Packaging Private Limited	200000	6.67	200000	6.67

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

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	3000085	3000085
Add : Shares issued during the year	0	0
Less : Shares cancelled on buy back	0	0
Equity Shares at the end of the year	<u>3000085</u>	<u>3000085</u>

1.3 Terms/ rights attached to equity shares

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

1.4 The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being made in cash nor has allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Note 2 Reserves and surplus

Amount in Rs

	As at 31-Mar-2017	As at 31-Mar-2016
(a) Capital Reserve		
Opening Balance	10,713,772	10,713,772
Add: Additions during the year	0	0
Less: Utilised / transferred during the year	0	0
Closing Balance	10,713,772	10,713,772
(b) Securities Premium Account		
Opening Balance	24,901,400	24,901,400
Add: Additions during the year	0	0
Less: Utilised / transferred during the year	0	0
Closing Balance	24,901,400	24,901,400
(c) General Reserve		
Opening Balance	590,324,176	530,324,176
Add: Transferred from Surplus in Profit and Loss Statement	60,000,000	60,000,000
Less: Utilisation	0	0
Closing Balance	650,324,176	590,324,176
(d) Surplus in Profit and Loss Statement		
Opening Balance	43,470,386	37,535,030
Add: Profit for the year	117,151,471	65,935,356
Less Amount transferred to General Reserve	60,000,000	60,000,000
Closing Balance	100,621,857	43,470,386
Total	786,561,205	669,409,734



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs

Note 3 Long Term Borrowings

	As at 31-Mar-2017	As at 31-Mar-2016
Term Loans		
From Banks		
--- Term Loan -HSBC Bank	154,517,041	42,429,811
--- Term Loan -Allahabad Bank	104,098,815	7,632,126
	258,615,856	50,061,937
Vehicle Loans	16,123,233	12,867,266
Unsecured Loans		
From Directors	86,335,358	13,681,092
Total	361,074,447	76,610,295

3.1 Term Loans from Hongkong and Shanghai Banking Corporation Ltd & Allahabad Bank are secured by way of pari passu charge over entire Fixed Assets of the Company including Plant & Machinery (both present and future) except those exclusively funded through other Financial Institutions and pari-passu charge on the Stocks and Receivables of the company (both present & future) and collaterally secured by way of first pari-passu charge on Factories located at Plot No.135, Sector-24, Faridabad, Plot No.297, Sector-24, Faridabad, Plot No.11B, Udyog Vihar, Greater Noida, Factory located at Village Bir Pilsasi, Factory Land & Building located at Mopurapili Village, Varadaiapalem Mandal Chittoor, Andhra Pradesh, in the name of Company and personal guarantee of Sh Shyam Sunder Khemka, Sh. Rajeev Khemka, Sh. Sanjeev Khemka, Sh. Ashish Khemka and Smt Chanderkala Khemka, all Directors of the company. All securities are under pari passu charge with Allahabad Bank.

3.2 Hypothecation of vehicles financed by the banks

3.3 Unsecured Loans from Directors are Long Term Borrowings and are interest free & repayable with prior permission of bankers.



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Note 4 Deferred Tax Liability (Net)

	Amount in Rs	
	As at 31-Mar-2017	As at 31-Mar-2016
<u>Tax Effect of Items constituting Deferred Tax Assets</u>		
Related to difference in WDV of fixed assets	12,410,400	12,194,200
Expenses allowable for Tax purpose when paid	-2,763,000	3,322,500
	9,647,400	15,516,700
Tax Effect of Items constituting Deferred Tax Liability	0	0
Deferred Tax Liability (Net)	9,647,400	15,516,700

Note 5 Other Long Term Liabilities

	Amount in Rs	
	As at 31-Mar-2017	As at 31-Mar-2016
Creditors for Capital Goods*	21,259,075	0
Total	21,259,075	0

* Creditors for Capital Goods are repaid through Term Loan from Banks.

Note 6 Long Term Provisions

	As at 31-Mar-2017	As at 31-Mar-2016
(a) Provision for Employee Benefits:		
(i) Provision for Gratuity	1,784,415	3,133,260
(ii) Provision for Leave Encashment	2,717,652	2,807,428
Total	4,502,067	5,940,688



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Note 7 Short Term Borrowings

	As at 31-Mar-2017	As at 31-Mar-2016
<u>Secured</u>		
Working Capital Loan from Bank	117,851,207	84,153,530
Total	117,851,207	84,153,530

7.1 Working Capital Limits from Hongkong and Shanghai Banking Corporation Ltd & Allahabad Bank are secured by way of pari passu charge over entire Fixed Assets of the Company including Plant & Machinery (both present and future) except those exclusively funded through other Financial Institutions and pari-passu charge on the Stocks and Receivables of the company (both present & future) and collaterally secured by way of first pari-passu charge on Factories located at Plot No.135, Sector-24, Faridabad, Plot No.297, Sector-24, Faridabad, Plot No.118, Gityog Vihar, Greater Noida, Factory located at Village Bir Pillasi, Factory Land & Building located at Mopurapli Village, Miradaiapalem Mandal Chittoor, Andhra Pradesh in the name of Company and personal Guarantee of Sh Shyam Sundar Khemka, Sh. Rajeev Khemka, Sh.Sanjeev Khemka, Sh.Ashish Khemka and Smt Chanderkala Khemka, all Director of the company. All securities are under pari passu charge with Allahabad Bank.



RCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount In Rs.

Note 11 Fixed Assets

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2016	Additions	Sales /or Adjustment	As at 31.03.2017	As at 31.03.2016	For the year	Sales / or Adjustment	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Tangible Assets										
Land	43255594			43255594	0			0	43255594	43255594
Lease hold Land	94248855	1313459		95562314	0			0	95562314	94248855
Building	206536530	150949159		357485689	103260271	11338090		114598361	242887328	103276259
Tubewell	878233			878233	678856	2846		681702	196531	199377
Plant & Machinery	595727590	319502384	707490	914522484	452751691	41467958	465211	493754438	420768046	142975899
Electric Installations	14357407	16267968		30625375	11676025	1299325		12975350	17650025	2681382
Moulds & Dies	298894	146301		445195	297678	1914		299592	145603	1216
Testing & Checking	5782153	329872		6112025	3525527	534029		4059556	2052469	2256626
Fire Fighting Equipment	1623751	988325		2612076	684005	347241		1031246	1580830	939746
Furniture & Fixture	12740829	632504		13373333	9150546	937049		10087595	3285738	3590283
Computer	14082685	1922770		16005455	12239270	1348014		13587284	2418171	1843415
Office Equipments	5528173	1016790		6544963	4378394	664139		5042533	1502430	1149779
Intercom Systems	3057402	520434		3577836	2362178	372850		2735028	842808	695224
Air Conditioner	5331101	1956744		7287845	3824240	494668		4318908	2968937	1506861
Vehicle	46019005	18248933	4824296	59443642	25170328	9769206	3705058	31234476	28209166	20848677
Trucks & Tractors	45024290	5967540		50991830	29496795	5682127		35178922	15812908	15527495
Material Handling Equipments	1497563	30450		1528013	392287	507322		899609	628404	1105276
Temporary Construction	43728			43728	43728			43728	0	0
Total	1096033783	519793633	5531786	1610295630	659931819	74766778	4170269	730528328	879767302	436101964
Previous year	967340444	149080322	20386983	1096033783	605088627	72361760	17518568	659931819	436101964	362251817



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2016	Additions	Sales /or Adjustment	As at 31.03.2017	As at 31.03.2016	For the year	Sales / or Adjustment	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Intangible Assets										
Computer Software	4494256		0	4494256	163314	2735408	0	2898722	1595534	4330942
Total	4494256	0	0	4494256	163314	2735408	0	2898722	1595534	4330942
Previous year	0	4494256	0	4494256	0	163314	0	163314	4330942	0
Capital Work In Progress										
Plant & Machinery	69846207	86657200	67867075	88636332	0	0	0	0	88636332	69846207
Land & Building	35173354	1948000	11696504	25424850	0	0	0	0	25424850	35173354
Total	105019561	88605200	79563579	114061182	0	0	0	0	114061182	105019561
Previous year	45848307	79777699	20606445	105019561	0	0	0	0	105019561	45848307
	1205547600	608398833	85095365	1728851068					995424018	



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs

Note 8 Trade Payables

	As at 31-Mar-2017	As at 31-Mar-2016
Micro, Small and Medium Enterprises	0	0
Others	204,109,294	242,248,931
Total	204,109,294	242,248,931

8.1 The Company has no information from its suppliers being registered under Micro, Small & Medium Enterprises as defined under MSME Act 2006. Hence requirement regarding payment within specified date, interest on payment beyond specified date, if any, and other disclosures requirement in Annual Accounts could not be determined/provided.

Note 9 Other Current Liabilities

	As at 31-Mar-2017	As at 31-Mar-2016
Current Maturities of Long Term Debts (Ref. Note No 3)		
From Banks:		
---Demand Loan against FDR	0	23,261,353
--- Term Loan -HSBC bank	49,477,384	14,299,972
--- Term Loan Allahabad Bank	25,560,000	6,177,700
Total	75,037,384	43,739,025
Vehicle Loans	14,098,021	7,955,039
Sub Total	89,135,405	51,694,064
Other Payables		
Income Tax Deducted at Source	2,074,162	216,408
Advances from Customers	10,086,543	911,477
Liabilities for Expenses & Others	32,358,263	24,551,534
	44,518,968	25,679,419
Total	133,654,373	77,373,483

9.1 Demand Loan against FDR is sanctioned by Allahabad Bank, secured by way of FDR pledged with the Bank of Rs.2,49,53,973/- and the said account has been repaid in full on dated 02.04.2016.



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs.

Note 10 Short Term Provisions

	As at 31-Mar-2017	As at 31-Mar-2016
Provision for Current Income Tax (Net of Advance Tax & TDS)	10,392,256	3,222,956
Provision for Corporate Social Responsibility	615,000	-
Total	11,007,256	3,222,956

Note 12 Non Current Investments

	As at 31-Mar-2017	As at 31-Mar-2016
Trade Investments (At cost):		
a) Unquoted Equity Shares		
i) 42000 Equity Shares of Ginni Packaging Private Limited of Rs.10/- each fully paid up.	422,100	422,100
ii) 490000 Equity shares of M/s KCL Milk Products India Private Limited of Rs.10/- each fully paid up.	4,900,000	4,900,000
b) Quoted Equity Shares		
5300 Equity Shares of M/s Allahabad Bank of Rs.10/- each fully paid up (M.V. Rs.389285/-, Previous Year Rs.289910/-)	53,000	53,000
Total	5,375,100	5,375,100



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs.

Note 13 Long Term Loans and Advances

	As at 31-Mar-2017	As at 31-Mar-2016
Security Deposits	9,568,043	5,660,956
Advance for Capital Goods	36,279,575	13,367,640
Total	45,847,618	19,028,596

Note 14 Other Non Current Assets

	As at 31-Mar-2017	As at 31-Mar-2016
Preoperative Expenses (subject to allocation)		
Brought Forward	1,505,095	38,382
Addition during the year	709,939	1,466,713
Less : Transferred during the year	1,527,185	0
Total	687,849	1,505,095



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs

Note 15 Inventories (As valued & certified by the Management)

		As at 31-Mar-2017	As at 31-Mar-2016
Raw materials		58,051,871	47,914,829
Work-in-Progress		3,790,869	3,008,312
Finished Goods		20,629,552	27,557,918
Scrap		875,186	140,219
Stores and Spares		11,578,953	12,583,672
Goods In Transit		0	78,866
	Total	94,926,431	91,283,816

Note 16 Trade Receivables (Unsecured and Considered Good)

		As at 31-Mar-2017	As at 31-Mar-2016
<u>Trade Receivables</u>			
Outstanding for a period exceeding six months from the date they were due for payment		10,087,884	4,789,989
Other		325,387,887	333,039,967
	Total	335,475,771	337,829,956



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Note 17 Cash and Bank Balances

	As at 31-Mar-2017	As at 31-Mar-2016
Cash and Cash Equivalents		
Cash in hand (as certified by the management)	682,368	937,295
Balances with Banks		
- In Current Accounts	2,270,565	3,257,068
- Fixed Deposits (with Banks)	0	24,953,973
	2,952,933	29,148,336
Other Bank Balances		
- In Margin Money Accounts	16,720,538	5,767,538
- In Employees Group Gratuity Saving Bank Account	127,038	15,570
	16,847,576	5,783,108
Total	19,800,509	34,931,444

17.1 DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes (SBNs) and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017. The details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification are as follows (as certified by the management):

Particulars	SBNs	ODNs	Total
Closing cash in hand as on November 8, 2016	2679000.00	572389.79	3251389.79
(+) Permitted Receipts	0.00	2336070.00	2336070.00
(-) Permitted Payments	0.00	2529426.00	2529426.00
(-) Amount deposited in Banks	2679000.00	0.00	2679000.00
Closing cash in hand as on December 30, 2016	0.00	379033.79	379033.79

* For the purpose of this clause 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs

Note 18 Short Term Loans and Advances

	As at 31-Mar-2017	As at 31-Mar-2016
Loans and Advances to Related Parties		
- Inter Corporate Loans	94,889,128	94,268,903
- Others	1,374,468	2,177,985
Loans and Advances to Employees	4,972,868	6,327,451
Prepaid Expenses	3,484,972	1,864,435
Balance with Government Authorities		
(i) CENVAT Credit Receivable	32,344,840	21,707,549
(ii) VAT Credit Receivable	5,434,943	1,710,633
Mat Credit Entitlement	31,540,000	0
Others		
(i) Advance to Suppliers & Others	7,449,248	8,831,432
(ii) Company's Deposit (Surcharge of Income Tax)		6,100
(iii) Other Receivables	639,410	1,142,805
Total	182,129,877	138,037,293



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs

Note 19 Revenue from Operations

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Sale of Products	2,560,502,215	2,328,743,805
Less - Internal Consumption	176,295,188	159,252,056
Less - Sales Tax Recovered on Sales	79,045,601	74,058,424
Total	2,305,161,426	2,095,433,325
Sale of Products comprises of	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Corrugated Boards & Boxes	1,817,606,092	1,701,681,971
Duplex Board Cartons	565,968,727	498,129,543
Food Products	67,920,484	65,349,910
Milk /Dairy Products	57,665,632	25,033,891
Scrap	51,341,280	38,548,490
Total - Sale of Products	2,560,502,215	2,328,743,805

Note 20 Other Income

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Dividend Income from Investment	0	8,639
Interest Received	839,410	2,362,652
Sundry Balances Written off		0
Rent Received	300,000	0
Insurance Claim Received	66,704	153,214
Profit on Sale of Fixed Assets	0	754,816
Misc receipt	3,500	0
Total	1,209,614	3,279,321

**KCL LIMITED****Notes on Financial Statements for the Year ended 31st March, 2017**

Amount in Rs.

Note 21. Cost of Raw Materials Consumed

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Opening Stock	49,261,819	30725526
Add: Purchases	1,611,026,798	1542749912
	1,660,288,617	1573475438
less Internal Consumption	159,189,736	143532254
	1,501,098,881	1429943184
Less: Closing Stock	58,051,871	49261819
Cost of Material Consumed	1,443,047,010	1,380,681,365
Material Consumed comprises:		
1. Kraft Paper	1,009,399,135	957,867,361
2. Duplex Board	236,721,537	224,464,985
3. Corrugated Board & Sheet	226,230,573	216,817,111
4. Lamination Film	7,590,922	4,438,471
5. Flour Wheat & Maize	14,683,246	11,274,322
6. Oils & Fats	1,815,667	1,303,894
7. Chemicals, Flavours, Sugar & Salts	3,117,222	4,563,146
8. Skimmed Milk Powder	33,519	462,791
9. Packaging Materials(used in packing of food products)	8,232,465	10,890,135
10. Dextros Monohydrate	2,278,566	1,823,174
11.Raw Milk	22,522,853	12,878,981
12.Others	69,611,041	77,429,248
	1,602,236,746	1,524,213,619
Less Internal Consumption	159,189,736	143,532,254
Total	1,443,047,010	1,380,681,365



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs

Note 22 Changes in Inventories

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
<u>Inventories at the end of the year</u>		
Finished Goods	20,629,552	27,557,918
Work-In-Progress	3,790,869	3,008,312
Scrap	875,186	140,219
	25,295,607	30,706,449
<u>Inventories at the beginning of the year</u>		
Finished Goods	27,557,918	21,697,993
Work-In-Progress	3,008,312	5,882,616
Scrap	140,219	252,691
	30,706,449	27,833,300
Net (Increase) / Decrease	-5,410,842	2,873,149

Note 23 Employee Benefits Expenses

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Salaries, Wages & Bonus	128,336,345	118,499,569
Contributions to Provident Fund	4,651,554	4,543,934
Contributions to Employee State Insurance Fund	1,888,950	1,599,522
Gratuity	211,295	709,123
Staff Welfare Expenses	8,409,617	8,095,825
Total	143,497,761	133,447,973

Note 24 Finance Costs

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Interest Expense on:		
(i) Term Loans from Banks	7,173,774	2,802,652
(ii) Others Borrowing Costs	7,560,085	9,783,869
Total	14,733,859	12,586,521

Note -25 Depreciation and Amortisation Expenses

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Depreciation	77,502,186	72,525,074
Total	77,502,186	72,525,074



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs

Note 26 Other Expenses

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Manufacturing Expenses		
Consumption of Stores and Spare Parts	56,394,044	51,779,879
Consumption of Block Printing & Design	21,477,748	19,473,328
Power and Fuel	59,555,148	51,381,703
Factory Rent including Lease Rentals	3,780,699	3,472,938
House Keeping Expenses	2,033,424	1,425,608
Carriage Inward Expenses	1,649,260	1,400,072
Job Work Expenses	12,740,543	3,770,701
Repairs and Maintenance - Machinery	23,886,905	16,288,473
Repairs and Maintenance - Others	14,447,169	14,200,229
Sub Total	195,964,940	163,192,931
Administration Expenses		
Rent	2,414,250	1,828,950
Insurance	4,731,470	3,791,221
Rates and Taxes	1,459,833	1,091,886
Travelling Expenses	14,182,949	17,390,737
Conveyance Expenses	2,280,642	2,341,203
Printing & Stationery	1,562,950	1,362,792
Postage, Telegram & Telephone	3,355,219	3,181,769
Legal and Professional	2,369,180	2,160,261
Retainership Charges	9,917,045	4,671,876
Security Service Charges	4,405,191	3,823,544
Membership & Subscription	509,254	428,030
Car Maintenance & Vehical Upkeep	2,481,610	2,888,181
Electricity & Water Charges	1,014,053	1,170,874
General Expenses	1,283,962	1,135,009
Employees Recruitment & Training Expenses	7,142,524	6,819,873
Charity & Donation	471,300	66,350
ISO Certification Charges	363,400	342,236
Sundry Balances Written off	209,128	290,555
Software charges	96,338	0
Bad Debts Written off	372,043	0
Prior Period Expenses	1,094	0
Listing Fees	603,750	0
Filing Fees	28,933	16,476
Expenses towards CSR Activities	1,855,000	1,270,000
Loss on Sale of Fixed Assets	258,206	0
Bank Charges	2,024,760	2,494,060
Sub Total	65,394,084	58,565,883



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Selling Expenses		
Consumption of Packing Materials	15,307,003	12,858,986
Freight Outward (Net)	55,816,363	40,904,613
Sales Promotion Expenses	5,206,157	6,611,992
Discount Allowed	3,545,776	1,423,075
Advertisement & Publicity	671,616	418,877
Sales Conference	13,800	19,980
Damages & Claims	5,150,837	2,585,014
Commission on Consignment Sales	2,005	1,070,275
Product & Sample Distribution Exp	410,496	870,859
Sub Total	86,124,053	66,763,671
Payments to the Auditors		
As Auditors - Statutory Audit	300,000	240,000
For Tax Audit	60,000	60,000
For Internal Audit	120,000	72,000
Sub Total	480,000	372,000
Total	347,963,076	288,894,485



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs.

Note 27 Earning Per Share

	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Earnings Per Share		
i) Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders (in Rs.)	117,151,471	65,935,356
ii) Weighted Average Number of Equity Shares used as denominator for calculating EPS	3,000,085	3,000,085
iii) Basic and Diluted Earnings per Share (in Rs.)	39.05	21.98
iv) Face Value per Equity Share (in Rs.)	10	10

Note 28

Contingent Liabilities and Commitments (to the extent not provided for)		
	As at 31-Mar-2017	As at 31-Mar-2016
Contingent Liabilities		
Claims against the Company not acknowledged as debt		
1) Surety Bond for availing duty under EPCG Scheme	6,994,432	6,994,432
2) Bank Guarantees	393,000	40,000
3) Letter of Credits	62,526,085	33,148,887
4) Sales Tax matters under appeal (refer note no. 29.7)	1,314,445	1,314,445
	71,227,962	41,497,764
Commitments		
- Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	56,617,966	171,118,558
- Export Obligation against Import under EPCG Licence	481,814,685	37,979,920
	538,432,651	209,098,478



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Note -29

Amount in Rs.

29.1	Details of Consumption of Imported and Indigenous Items		Year Ended on 31.03.2017		Year Ended on 31.03.2016	
		Percentage	Value	Percentage	Value	
	Raw Materials					
	a) Imported	7.68	110792567	9.34	128889859.3	
	b) Indigenous	92.32	1332254443	90.66	1251791505	
		100.00	1443047010	100.00	1380681365	
	Stores and Spares					
	a) Imported	0	0	0	0	
	b) Indigenous	100	56394044	100	51,779,879	
		100	56394044	100	51779879	
29.2	Value of Imports calculated on CIF basis		Year Ended on 31.03.2017		Year Ended on 31.03.2016	
	Raw Materials		96052991		113800587.9	
	Components- Spare Parts		1932905		1167235.04	
	Capital Goods		262856156		52944727	
29.3	Earnings in Foreign Exchange		Year Ended on 31.03.2017		Year Ended on 31.03.2016	
	Export of Goods calculated on FOB basis		Nil		Nil	
29.4	Expenditure in Foreign Currency		Year Ended on 31.03.2017		Year Ended on 31.03.2016	
	Travelling Expenses & other matters		6879903		9610319	



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Note-30

- 30.1 KCL Food is located in Village Bata Mandi, Tehsil Paonta Sahib, District Sirmour (H.P.) and Baddi unit is located in Village Bir Pillasi, Tehsil Nalagarh, District Solan (H.P.), these units are located in Back ward Industrial Estate, eligible for Exemption of Excise Duty vide Notification No 49 & 50 of 2003 and Income Tax under Section 80IC of The Income Tax Act, 1961 upto the F.Y. 2011-12 (A.Y. 2012-13). The unit is further eligible for claim of deduction @ 30% of Net Profit u/s 80IC of the Income Tax Act, 1961 from 01.04.2012 onwards for the period of next five years.
- 30.2 The unit has availed 15% Central Investment subsidy of Rs.30,00,000/- on Plant & Machinery from Government of Himachal Pradesh, Directorate of Industries vide office order dated 6th January,2009 for the unit and Ist pari pasu charge against Plant & Machinery of the unit has been registered in favour of the Deputy Director of Industries, SWCA Baddi for the same.
- 30.3 The following Land allotted / purchased are yet to be registered in the name of Company.
- a) The company has entered into Agreement for purchase of Land measuring 4.59 Acre at Village Gumshani, Tehsil- Bajpur, Udham Singh Nagar, Khata No 0057, Khasara No 315/3.4.59 acre area. Due to refusal for the registration of the the said property by the seller, the Company has filed a suit against him and the matter is sub judiced with the courts.
- b) The Company has received possession certificate on dated 20.10.2015 of Industrial Plot No. 254-255, Industrial Estate Sector, Roz ka Meo, Faridabad, measuring area of 8100 sq. mtr and full payment thereof has been debited to Capital Work In Progress but the conveyance deed is yet to be executed.
- 30.4 The Sricity Project of the company has come into operation in the month of March 2017 for manufacturing of Corrugated Boxes. This unit is situated on 10 acres of Lease Hold Land (99 years) at Sathyavedu Sub-District, Varadaiahpalem Mandal, Racheria Panchayat of Mopurupali Village, Chittoor District, Andhra Pradesh and this unit is eligible for tax benefits as specified in Section 32AD of the Income Tax Act, 1961.
- 30.5 During the financial year 2016-17, the company has acquired & installed new plant & machineries exceeding Rs.25 Crore and therefore eligible to claim investment allowance @ 15% of actual cost of new plant & machineries acquired & installed during the Financial Year 2016-17 as specified u/s 32AC(1A) of the Income Tax Act, 1961.
- 30.6 Sundry debit and credit balances appearing in the Balance Sheet are subject to confirmation of respective parties and consequent reconciliation thereof, adjustment of the same, if any, would be accounted for as and when ascertained.
- 30.7 In the opinion of the Board of Directors, the Current Assets, Loans and Advances are of the value as stated if realised in ordinary course of business.
- 30.8 Detail of pending litigations are as under:

Sales tax demand of F.Y. 2010-11 of Unit situated in Himachal Pradesh amounting to Rs.13,14,445/- has



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

not been deposited on account of dispute lying pending for disposal with Additional Excise and Taxation Commissioner-cum-Appellate Authority, Himachal Pradesh.

- 30.9 Sales Tax assessment of units of the company situated in different states have been completed up to Financial Year 2013-14 except units situated in the state of Haryana, the assessment of which has been completed upto the F.Y. 2012-13
- 30.10 The Income Tax Assesment u/s 143(3) of the Income Tax Act, 1961 has been completed up to A.Y. 2014-15 and income tax demand of Rs.3,24,051/- is outstanding as on date pertains to A.Y. 2009-10 to A.Y. 2013-14.
- 30.11 The company does not have any pending litigations as on date.
- 30.12 Provision on account of Impairment of Assets as required under AS-28 of ICAI has not been made, as in the opinion of the managment, the carrying amount of the Assets is not less than the recoverable amount.
- 30.13 During the year, the Company has not entered into any long-term contracts including derivative contracts.



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Note 31

Employee Benefit Plans

Defined Contribution Plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised Rs 4651554/- for the Year ended 31 March, 2017 (Previous Year Rs 4543934/-) for Provident Fund contributions in the Profit and Loss Statement.

Defined Benefit Plans

The Company offers the following Employee Benefit Schemes to its Employees:

A sum of Rs 16 Lacs has been paid during the financial year 2016-17 and upto dated contribution as at 31.3.2017 is Rs 87.20 lacs towards Gratuity (Funded) to Life Insurance Corporation of India under Employees' Group Gratuity Scheme.

The payment of contribution has been adjusted against the Provision for Gratuity in the respective years.

32. Derivatives:-

A) **Hedged:** The Company has not entered into Forward Exchange Contracts, being Derivative Instruments for hedge purpose.

Buy or Sell	As on 31.03.2017		As on 31.03.2016		Foreign Currency
	(in Rs.)	Amount in Foreign Currency	(in Rs.)	Amount in Foreign Currency	
Buy	0	0	-	-	NA
Sell	0	0	-	-	NA

B) **Unhedged:** The year end Foreign Currency Exposures that have not been hedged by a Derivative Instrument as Outstanding are as under:

	As on 31.03.2017		As on 31.03.2016		Foreign Currency
	(in Rs.)	Amount in Foreign Currency	(in Rs.)	Amount in Foreign Currency	
a) Receivables:-	0	0	0	0	-
b) Payables:-					
Trade Payables	9389074	140461.26	16451357.7	248172.54	USD
Foreign Letter of Credit	18134730	279802.97	27620127.6	416656.02	USD

KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Note 33

Related Party Disclosures: The information regarding Related Parties has been determined on the basis of criteria in AS-18 "Related Party Disclosures" and to the extent such parties have been identified by the company, on the basis of information available with them. This has been relied upon by the auditors.

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

a) Name of Related Parties and description of relation :

(i) Key Management Personnel and Relatives

(Only Relatives of Key Management Personnel with whom the Company had transaction during the year are listed below)

Sh. Shyam Sunder Khemka (Chairman cum Managing Director)	Sh. Rajeev Khemka (Whole Time Director)	Sh. Sanjeev Khemka (Whole Time Director)	Sh. Ashish Khemka (Whole Time Director)
Smt. Chandra Kala Khemka (Director)	Sh. Deeptanshu Khemka (Whole Time Director)	Smt. Vandana Khemka (Wife of Sh. Rajeev Khemka)	Smt. Vandana Khemka (Wife of Sh. Sanjeev Khemka)
Smt. Ashima Khemka (Wife of Sh. Ashish Khemka)	Ms. Mahima Khemka (Daughter of Sh. Sanjeev Khemka, Director)		

b) Entities where significant influence is exercised by Key Management Personnel and/or their relatives having transactions with the Company :

Ginni Packaging (P) Limited	KCL Milk Products India Private Limited	Food & Healthcare Specialities
Khemka Packaging (P) Limited	Wellness Foods	(Prop. Sh Shyam Sunder Khemka)
Khemka Leasing (P) Limited		

Particulars	Key Management Personnel and their Relatives		Other Parties which significantly influence / are influenced by the Company (either individually or with others)	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a) Rent Received	---	---	---	---
b) Rent Paid	4740000	4440000	624000	288000
c) Remuneration Paid	23113200	22948200	---	---
d) Sales	---	---	---	---
e) Purchases	---	---	---	25378480
f) Inter-Corporate Deposit paid/given	---	---	---	---
g) Unsecured Loans taken/received	86335358	101335358	179555	232098
h) Unsecured Loans repaid	---	15000000	---	---
i) Other Payment	---	---	11293342	16585211
j) Balance outstanding at the year end				
- Receivables	---	---	86198190	95232425
- Payables	86335358	86335358	---	2602404

KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs.

Note 34

Segment Information

The Company has identified the following two Primary Business Segments during the year ended 31st March, 2017

1. Packaging Products

Engaged in Manufacturing of Corrugated Boxes and Duplex Board Cartons

2. Food Products

Engaged in Manufacturing of Food Products (Wafer Sticks, Extruded Cereals Products, Ready to use Bakery Products, Glucose D & Dairy Products)

Primary Business Segments

Particulars	Packaging Products	Food Products	Total
Revenue			
Gross Turnover	2,359,583,239	121,873,375	2,481,456,614
Inter Segment Turnover	2,166,896,377	87,789,004	2,254,685,381
External Turnover	176,295,188	-	176,295,188
Less: Excise Duty	159,252,056	-	159,252,056
Net Turnover	2,183,288,051	121,873,375	2,305,161,426
	2,007,644,321	87,789,004	2,095,433,325
	131,617,799	-	131,617,799
	120,549,648	-	120,549,648
	2,051,670,252	121,873,375	2,173,543,627
	1,887,094,673	87,789,004	1,974,883,677

Result

Segment Result			
Profit Before Tax & Interest	205,218,032	-29,871,741	175,346,291
Unallocable Corporate Expenditure	156,137,071	-38,547,050	117,590,021
Operating Profit			20,839,229
Interest Expenses			19,426,816
Other Income			12,497,069
Income Tax			8,541,797
Profit From ordinary activities			1,209,614
Less: Exceptional Items			3,279,321
Net Profit after Tax			25,447,036
			26,932,873
			117,772,571
			65,967,856
			-
			-
			117,151,471
			65,967,856



KCL LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

Amount in Rs.

Other Information

Segment Assets

Net Block	699,100,533	154,340,765	853,441,298
Capital Work In Progress	251,560,200	94,818,439	346,378,639
	86,871,320	1,979,132	88,850,452
Long Term Loans & Advances	12,757,304	68,999,527	81,756,831
	40,777,856	1,489,440	42,267,296
Investments	11,818,921	1,655,353	13,474,274
			5,375,100
Current Assets, Loans and Advances	447,839,732	55,390,991	503,230,723
	436,906,554	60,008,362	496,914,916
Total Segment Assets	1,274,589,441	213,200,329	1,487,789,770
Unallocable Corporate Assets	713,042,979	225,481,681	938,524,660
			186,502,304
Total Assets			1,679,667,174
			1,188,992,967

Segment Liabilities

Loan Fund	257,895,270	33,577,748	291,473,018
Current Liabilities & Provisions	16,288,090	36,263,461	52,551,551
	468,498,034	43,136,443	511,634,477
Total Segment Liabilities	342,505,514	32,859,794	375,365,308
	726,393,304	76,714,191	803,107,495
Unallocated Corporate Liabilities	358,793,604	69,123,255	427,916,859
			59,997,624
Total Liabilities			61,633,024
			863,105,119
			489,549,883

Capital Employed

Capital Expenditure			816,562,055
			699,443,084
Depreciation	52,599,551	24,902,635	528,835,254
	58,442,393	14,082,681	212,745,832
Non - Cash Expenses other than Depreciation			77,502,186
			72,525,074
			709,939
			1,466,713

As per our report of even date

For and on behalf of the Board of Directors

For BORAR & ASSOCIATES

CHARTERED ACCOUNTANTS

FRN No.003935N

SHYAM SUNDER KHEMKA
(Chairman Cum Managing Director)
DIN No 00103387

RAJEEV KHEMKA
(Director)
DIN No 00103260

(CA R.L.BORAR)
PROPRIETOR
M.No. 081152

SANJEEV KHEMKA
(Director)
DIN No 00103295

ASHISH KHEMKA
(Director)
DIN No 00103321

AMIT AGGARWAL
(Company Secretary)

Place : Faridabad
Dated : 30.06.2017



ATTENDANCE SLIP

Regd. Folio/ DP ID & Client ID	
Number of shares	
Name and Address of the member	

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the Thirty fourth Annual General Meeting of the Company be held on Thursday, the 28th day of September, 2017, at 01:00 P.M. at the Registered office of the company situated at E-292, Sarita Vihar, New Delhi - 110044.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copy of Annual Report to the Annual General Meeting.



Form No. MGT - 11
Proxy form

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

KCL LIMITED
L74899DL1983PLC068008
E-292, SARITA VIHAR, NEW DELHI DL 110044
cs@kcl.co.in

Name of the member (s): Registered address: E-mail Id: Folio No/ Client Id: DP ID:
--

I/We, being the member(s) holding _____ Equity shares of the above named company,
hereby appoint

1. Name:
Address:
E-mail Id:
Signature:

Or falling him/her

2. Name:.....
Address:
E-mail Id:
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual
General Meeting of the Company, to be held on Thursday, 28th day of September 2017 at 01:00
p.m. at E-292, Sarita Vihar, New Delhi - 110044, and at any adjournment thereof in respect of
such resolutions as are indicated below:

Resolution No.

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2017,
statement of Profit and Loss for the year ended on that date and the Reports of the
Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajeev Khemka (holding DIN No: 00103260), who retires by
rotation, and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Deeptanshu Khemka (holding DIN No: 07484360), who retires
by rotation, and being eligible offers himself for reappointment.



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

“RESOLVED THAT pursuant to Section 139 and other applicable provisions if any of the Act and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Rohit Baid & Co., Chartered Accountants, Faridabad, bearing Firm Registration No 031122N with Institute of Chartered Accountant of India be and is hereby appointed as the Statutory Auditor of the Company to hold office from the conclusion of the Annual General Meeting for the financial year 17-18 to the conclusion of this Annual General Meeting till the conclusion of next sixth Annual General Meeting, subject to ratification by the Shareholders at every subsequent Annual General Meeting and to authorize the Board of Directors of the company to fix their remuneration.”.

Signed this day of 2017

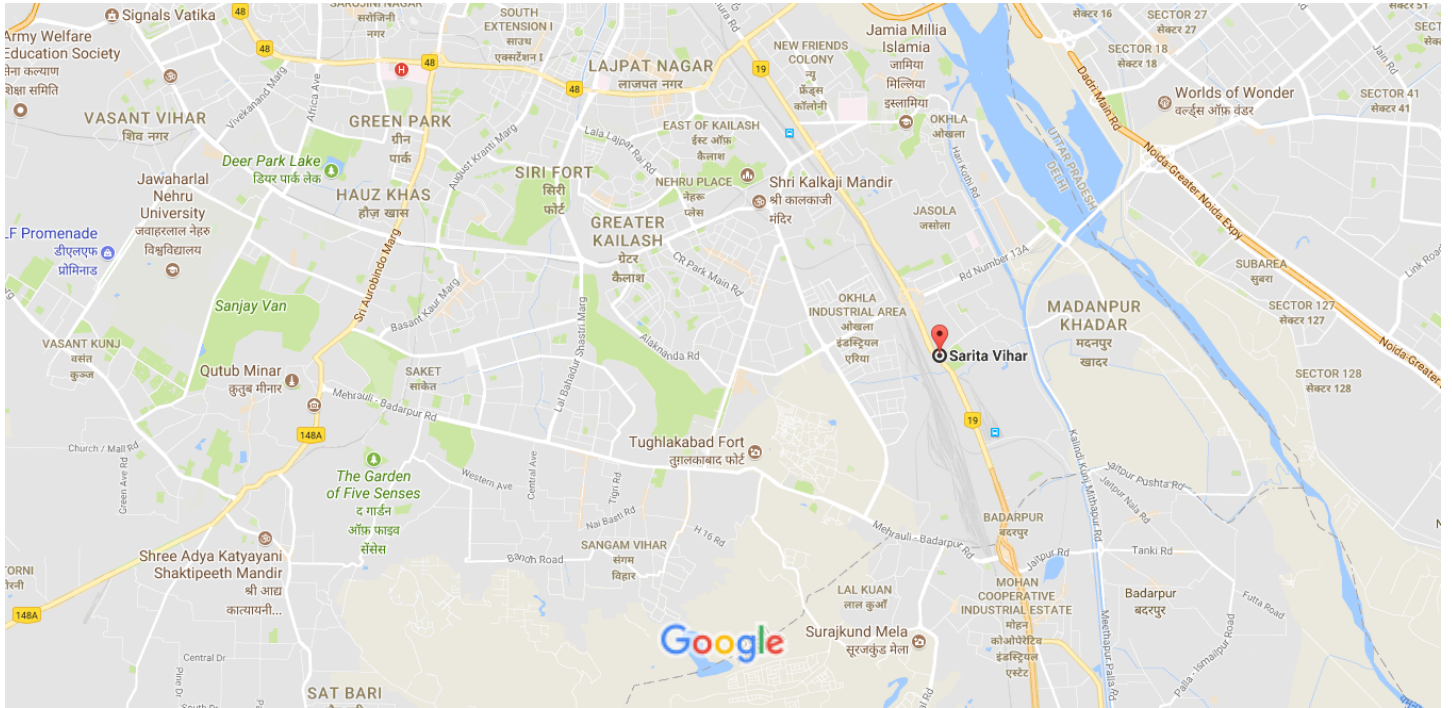
Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note:

1. *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*



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