

9th ANNUAL REPORT

KCK INDUSTRIES LIMITED

2021-2022

Corporate Information

BOARD OF DIRECTORS

MS. REENA SHARMA
Mr. JAGDISH PRASAD ARYA
Mr. SATYAVEER SINGH DANGI
Mr. PAWAN KUMAR JOSHI
Mr. BANISH MEHTA

AUDITORS

MR. SIDHARTH GUPTA
CHARTERED ACCOUNTANTS

CHIEF FINANCIAL OFFICER:

KAMAL KUMAR SHAH

SECRETARIAL AUDITOR

M/s. NEERAJ JINDAL & ASSOCIATES

REGISTERED OFFICE

PLOT NO 484B, VILLAGE DARIA
KHATAUNI NO 95, KHASRA 9/7
CHANDIGARH
Website: www.kckindustriesltd.com
CIN No.: U24232CH2013PLC034388

CORPORATE OFFICE:

SCF 214, MOTOR MARKET
MANIMAJRA
CHANDIGARH

REGISTRARS & TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED
SUBMARAMANIAN BUILDING, NO.1
CLUB HOUSE ROAD
TAMIL NADU, CHENNAI
PHONE: 044 -28460390
E-MAIL: CAMEO@CAMEOINDIA.COM

Book Closure: Date: 24th September , 2022 to 30th September , 2022(both days inclusive).

NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the Members of **KCK INDUSTRIES LIMITED** will be held on **Friday, 30th September, 2022 at 12.30 P.M.** through video conferencing ('VC') / other audio visual means ('OAVM') facility, to transact the following business:

ORDINARY BUSINESS

Item No 1: Adoption of the Audited Financial Statements as at 31st March, 2022

To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2022, the Audited Statement of Profit and Loss Account for the year ended on that date, together with Reports of Auditors and Directors thereon.

Item No 2: Appointment of Mr Satyaveer Singh Dangi as a Director liable to retire by rotation:

To appoint a director in place of Mr Satyaveer Singh Dangi (Din: 09205556), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

ITEM NO 3: Appointment of Mr Jagdish Prasad Arya as Managing Director

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as a **Ordinary RESOLUTION:**

RESOLVED THAT approval of the members of the company be and is hereby given to the Appointment of Managing director, pursuant to the provisions 196, 197, 203 and other applicable provisions if any of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Section II, Table A of Schedule V to the said act, Mr Jagdish Prasad Arya(DIN: 06496549) who has been appointed as the Managing Director of the Company for the period with effect from 31.08.2022 to 30-08-2027.

- 1. Tenure:-** from 31.08.2022 to 30-08-2027
- 2. Nature of Duties:-** The Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to her by the Board of Directors from time to time and

separately communicated to her and such powers as may be assigned to her subject to superintendence, control and directions of the Board in connection with and in the best interest of the business of the Company.

3. REMUNERATION

I. SALARY: The Managing Director shall be paid Salary, Perquisites and allowances amounting to Rs 40,000 per month as per the provisions of SECTION II, TABLE A OF schedule V to Companies Act, 2013 for the time being. (Considering inadequacy of profits).

Further the above remuneration is determined for maximum period of three years. There after fresh approval from the members shall be taken.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine, abrogate and modify remuneration, the rate, terms and conditions of the above mentioned remuneration or any constituent thereof, payable to Jagdish Prasad Arya(DIN: 06496549) Managing Director within the overall limit as per SECTION II, TABLE A OF schedule V to Companies Act, 2013, based on the Effective capital of the Company.

RESOLVED FURTHER THAT during such time as Jagdish Prasad Arya(DIN: 06496549) holds and continues to hold the office of the Managing Director; he shall not be liable to retirement by rotation as a Director.

By Order of the Board of Directors

For KCK INDUSTRIES LIMITED.

SD/-

JAGDISH PRASAD ARYA
Director

DIN – 06496549

Place: Chandigarh
Dated: 3rd September, 2022

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (2) OF THE COMPANIES ACT, 2013.

ITEM NO: 3

As per Section 197 of the Companies Act, 2013, total managerial remuneration payable by the Company to its directors, including managing director and whole-time director and its manager in respect of any financial year may be given to maximum permissible limit as per the provisions laid down in Section 198 of the Companies Act, 2013, provided that the same has been approved by the shareholders of the Company by way of Ordinary Resolution/Special Resolution.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 31.08.2022 recommended to increase the managerial remuneration payable by the Company.

Accordingly, the Board recommends the resolution set out at item no. 3 for approval of members as Ordinary resolution

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Jagdish Prasad Arya, is in any way concerned or interested, in the said resolution.

The Particulars of the information, pursuant to the provisions of Schedule V, Part II, Section II, clause (A) of the Act are as under:

Mr. Jagdish Prasad Arya (DIN: 06496549) is promoter of the company. Considering the valuable contribution, commitment, guidance and services being rendered by Mr. Jagdish Prasad Arya for the sustained growth of the Company, it is proposed to seek members' approval for the appointment and payment of remuneration of Mr. Jagdish Prasad Arya, Managing Director of the Company.

Mr. Jagdish Prasad Arya (DIN: 06496549) Director satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for her reappointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given her consent to act as a Managing Director and She has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

The information as required under schedule V to the Companies Act, 2013 is as under:-

I.GENERAL INFORMATION:

(1)Nature of Industry- Chemicals Industry and manufacturer of Rice Shellar
Company Main Object pursued by the company
:

The company is doing business of trading in high quality chemicals & dyes for textiles industry and manufacture the rice shellar.

(2)Date of commencement of commercial operation-

The Company started its business back in 2013.

(3) Details of new company:

In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus - **N.A.**

4) Financial Performance based on given indicators:

(i) Financials (Amount in RS. Lakhs)

| Financial Parameters | 2019-20 | 2020-21 | 2021-22 |
|--|----------------|----------------|----------------|
| Turnover | 5149.25 | 3911.57 | 6932.25 |
| Net Profit | 43.03 | 26.42 | 161.60 |
| Net profit as per profit And loss Account | 43.03 | 26.42 | 161.60 |
| Tax | 11.12 | 7.17 | 161.60 |
| Profit After Tax | 31.91 | 19.25 | 120.16 |
| Equity Share Capital | 200.00 | 400.00 | 400.00 |

(ii) **Export performance and net foreign exchange collaborations** – NIL

(5) Foreign investments or collaborators, if any – NIL

II. INFORMATION ABOUT THE APPOINTEE:**(1) Back Ground Details :**

Mr. Jagdish Prasad Arya was appointed as a Director of the Company with effect from 19th March, 2013.

The Board of Directors at their meeting held on 31st August, 2022 considered and decided to appoint Mr. Jagdish Prasad Arya with increased role and responsibility by elevating him as the Managing Director of the company. The term of her appointment as Managing Director for a period of 5 years from 31st August, 2022 to 30th August, 2027.

Mr. Jagdish Prasad Arya), is the promoter of the company. He looks after day to day routine operational activities of our company and with his multifunctional experience; he guides company in its growth strategies.

(2) Past remuneration: NIL

(3) Recognition or awards: NIL

(4) Job profile and his suitability–

Subject to the superintendence, direction and control of the board, the day to day management and administration of the Company is vested in the Managing Director.

(5) Remuneration proposed–

As set out in the resolution .The remuneration to Managing Director has the approval of the Nomination & Remuneration Committee.

(6) Comparative remuneration profile with respect to industry, size of the company, Profile of the position and person-

Company is engaged in the trading and high quality chemicals and dyes for textiles industry and manufacturing of rice shellar. For the growth and success of the company, knowledge and skills to understand and project the market trend, consumer behavior, consumption pattern and many relevant indicators for better product mix.

It also requires expertise for appropriate fund allocation, optimum utilization of various resources in the business. Mr Jagdish Prasad Arya has successfully proved his expertise in very effective manner and drove the Company towards the growth over the period of time.

Hence, the Board of Directors considers that the remuneration proposed to them are justified commensurate with other organizations of the similar type, size and nature.

(7) Remuneration proposed: Rs 40,000/-

(8) Pecuniary relationship directly or indirectly with the company, or relationship with Managerial personnel

, if any –

Besides, the remuneration proposed and holding 98000 shares of the company Mr Jagdish Prasad Arya does not have any other pecuniary relationship with the Company.

III. Other information:

Following are the main points relevant to inadequate profit:-

(1) Reason of inadequate profit:-

The chemicals industry captures a wide variety of companies that serves to provide products and services that keep the everyday consumer engaged. Chemicals market is highly competitive and fragmented, and we face competition from leading Chemicals and Dyes industries, that are expanding their traditional offerings. Some of our competitors may have greater financial, marketing, sales and other resources than we have and with the increase of price of products during the year under review also affects the profitability of the company.

We face competition for our Rice product from other manufacturers in domestic market on the basis of product range, product quality, and product price including factors based on reputation, regional needs, and customer convenience. Our competition varies for our products and region.

(2) Preventive action taken by the company:-

The future plans of our company are in line with the way industry is thinking and planning ahead. Our company is trying to increase the geographical areas of operations to cater to the growing market. Company is planning to expand the scale of operations as well as growing our supply chain network, which will provide attractive opportunities to grow our client base and revenues.

(3) Expected Increase in Productivity and Profits in measurable terms:

Company has experienced management team with established processes. Company management team has a long term vision and has proven its ability to achieve long term growth of the company. Promoters have sufficient experience in chemicals and dyes sector. Company records helped to build strong relationships over number of year with the customers as well as with the suppliers. Company strives to add value by incorporating excellent trade practices in order to optimize better returns. Management intend to maintain a spread of different types of trade in which company is involved in as this provide a strategy for growth as well as mitigating the risk of focusing on only a certain type of trade and ensures stability of our revenue stream.

Interest:

None of the Directors, KMP and their relatives except Mr Jagdish Prasad Arya himself as Director and Share Holder Holding 980000 Shares , Mrs. Sulochana, wife of Mr Jagdish Prasad Arya, holder of 91680 shares in the Company.

NOTES

In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') issued General Circular Nos.14/2020, 17/2020, 20/2020,02/2021, 21/2021 and 2/2022dated April 08, 2020, April 13, 2020, May 05, 2020,January 13, 2021, December 14,2021 and May 05,2022 respectively (collectively referred to as "MCA Circulars") permitted the holding of AGM's by Companies, through Video Conferencing / Other Audio-Visual facility (VC/OAVM), up to December 31,2022 without the physical presence of the Members at a common venue. The Securities and Exchange Board of India ('SEBI') also issued Circular Nos . SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 (collectively referred to as "SEBI Circulars"). In compliance with MCA Circulars, SEBI Circulars, provisions of the Act and the SEBI Listing Regulations, the AGM of the Company is being conducted through VC/OAVM Facility, which does not require the physical presence of members. The deemed venue for the AGM shall be the Registered Office of the Company

The facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

2. Members attending the AGM through VC / OAVM shall be counted to reckon the quorum under Section 103 of the Act.

3. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at PLOT NO 484B, VILLAGE DARIA, KHATAUNI NO 95, KHASRA 9/7, CHANDIGARH which shall be the deemed venue of AGM.

4. Mr. Neeraj Jindal, has been appointed as the Scrutinizer to scrutinize the remote e-voting/e-voting process in a fair and transparent manner. The Scrutinizer will submit the report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM

5. In compliance with the Circulars, copies of Annual Report for Financial Year 2021-22, the Notice of the AGM and instructions for remote e-voting/ e-voting are being sent in electronic mode to those Shareholders whose email addresses are registered with Registrar/ Depository Participant(s). The copy of Annual Report along with the Notice is also available on Company's website at www.kckindustriesltd.com and on website of the Stock Exchange at <https://www1.nseindia.com/emerger/>

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.

8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

9. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

10. Members whose email addresses / Bank details are not registered/updated are requested to register/update by contacting their respective Depository Participant(s).

11. As required under Listing Regulations and Secretarial Standards-2 on General Meetings details in respect of directors seeking reappointment at the AGM, is separately annexed. Directors seeking re-appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.

12. The Register of Members of the Company shall remain closed from the Saturday, 24thSeptember, 2022 to Friday, 30th September, 2022(both days inclusive).

13. 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.

14. At the 8th AGM held on 30th November, 2021 the members approved appointment of M/s D S P & Associates (Firm Registration No. 006791N) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the AGM to be held in 2027. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ninth AGM.

15. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Friday, 23rd September, 2022.

16. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company.

17. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 7 days prior to the Meeting so that the required information can be made available at the Meeting.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING ARE AS UNDER:

1. The voting period begins on 27.09.2022 at 9.00 A.M and ends on 29.09.2022 at 5.00P.M During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23.09.2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

3. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

4. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System My easi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service |

| | |
|--|--|
| | provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

5. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

i. The shareholders should log on to the e-voting website www.evotingindia.com.

ii. Click on "Shareholders" module.

iii. Now enter your User ID

- A. For CDSL: 16 digits beneficiary ID,
- B. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- C. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and Click on Login.

v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

vi. If you are a first-time user follow the steps given below:

| | |
|-----|---|
| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or |

| | |
|--|---|
| | contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

6. After entering these details appropriately, click on "SUBMIT" tab.
7. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
8. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
9. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
10. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
11. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
12. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
13. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
14. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
15. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 16. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@ccichd.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or contact at toll free no 1800225533.

22.The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.chdhchemicals.com and on website of CDSL e-Voting www.evotingindia.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.

For KCK INDUSTRIES LIMITED.
By Order of the Board of Directors

SD/-
Jagdish Prasad Arya
MANAGING DIRECTOR
DIN – 06496549

Place: Chandigarh
Dated: 3rd September, 2022

ANNEXURE I TO THE NOTICE

Details of the directors proposed to be appointed / re-appointed as per clause 1.2.5 of Secretarial Standards on General Meeting and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(a) Profile of Ms Divya Kothari as Managing Director

| | |
|--|--|
| Name of the Director | JAGDISH PRASAD ARYA |
| DIN No | 06496549 |
| Date of Birth | 01-01-1966 |
| Date of appointment | 19-03-2013 |
| Qualification | He is Commerce Graduate from Rajasthan University in the year 1988. |
| Past Remuneration | RS 50000/- per month |
| Terms and conditions of reappointment | As stated in the resolution set out in item number 3 of the Notice |
| Details of remuneration sought to be paid | As stated in the resolution set out in item number 3 of the Notice |
| Expertise in specific functional areas | He is having more than 30 years of experience in the various field including Textile Material Trading (yarn and Dyes and Chemicals). He has been key instrumental in developing the brand creation of the Company through his multifield expertise in various industries |
| Chairman/ Member of the Committee of the Board of Directors of our Company | Member-Audit Committee |
| Committee position held in other Companies | NIL |
| List of other Directorship | Sheorayan Engineers & Associates Pvt Ltd |
| No. of shares held In the Company | 980000 |
| Number of the Meetings attended during the year | 22 |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | No Relation with other Directors, Manager and other Key Managerial Personnel of the Company |

DIRECTORS' REPORT

Dear Members,

Your Directors take great pleasure in presenting the 9th Annual Report of **KCK INDUSTRIES LIMITED** the "Company" on business and operations of the Company along with the audited financial statements of accounts for the financial year ended 31st March 2022.

1. FINANCIAL SUMMARY

The Company's financial performance, for the year ended March 31, 2022 is summarized below:

The Board's Report shall be prepared based on the stand alone financial statements of the company.

Amount in Lacs.

| Particulars | 2021-22 | 2020-21 |
|--------------------------------------|---------|---------|
| Total Income | 6932.26 | 3911.57 |
| Total Expenditure | 6815.70 | 3886.60 |
| Profit before tax | 23.19 | 26.42 |
| Provision for Tax/ (Deferred tax) | 161.60 | 7.18 |
| Comprehensive Income | 120.16 | 19.24 |

2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

- The company is engaged in the business of trading of chemicals and dyes and manufacturing of rice shellar.
- The Total revenue for the Current year is Rs. 6932.26 lacs in comparison to Last year's revenue i.e. Rs. 3911.57 Lacs
- The Profit in the Current year is Rs.120.16 in comparison to Rs 19.24 Lacs last year's.

During the year under review, there has been no change in the nature of the business of the Company. Further, there were no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

3. MATERIAL CHANGES AND COMMITMENTS

Company got listed on NSE Emerge on 8th July, 2022. Accordingly capital after IPO has been increased from 40,00,000 to 55,00,000

5. TRANSFER TO GENERAL RESERVES IN TERMS OF SECTION 134(3) (J) OF THE COMPANIES ACT, 2013

No amount has been transferred to the general reserve during the year under review.

6. SHARE CAPITAL

During the Financial Year 2021-22,

Company increased its Share Capital on following occasions:

(i) Authorized Share Capital

No Change in the Authorized capital of the company during the year under review.

(ii) Paid up Share Capital:

No change in the paid up share capital of the company during the year

(iii) ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any shares with differential rights during the year under review. Hence the provisions of Section 43 of the Companies Act, 2013 are not applicable.

(iv) ISSUE OF SWEAT EQUITY SHARE

The Company has not issued any sweat equity shares during the year under review. Hence the provisions of Section 54 of the Companies Act, 2013 are not applicable.

7. DEPOSITS

DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE ACT

| | | | |
|---|--|---|-----|
| A | Accepted during the year | : | NIL |
| B | Remained unpaid or unclaimed as at the end of the year | : | |
| C | whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so (default), number of such cases and the total amount involved | : | |
| | i. at the beginning of the year | : | |
| | ii. maximum during the year | : | |
| | iii. at the end of the year | : | |

DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE ACT

During the Financial Year under review, the Company has not accepted any deposit under Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rule, 2014 as amended from time to time which are not in compliance with the requirements of Chapter V of the Act.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Mr SATYAVEER SINGH DANGI (DIN No 09205556) appointed as a Managing director of the company with effect from 17th June, 2022 for the period of five years.

Mr Banish Mehta(DIN: 09201516) has been appointed as independent director of the company with effect from 17th June, 2021 and has been regularize in the Annual general meeting held on 30th November, 2021.

In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Mr SATYAVEER SINGH DANGI (DIN No 09205556) being Non-Executive Director, retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. The Board recommends his appointment.

KEY MANAGERIAL PERSONNEL

Ms Harsimran Jit Kaur, Company Secretary Has been appointed as a company secretary in the company with from 28th January, 2022.

Mr Kamal Kumar Shah has been appointed as a CFO in the company with from 28th January, 2022

Mr Kartik Bhati Has been resigned from the post of company secretary in the company with effect from 10th January, 2022.

Mr Naresh Kumar Pawariya resigned from the post of CFO of the company with from 10th January, 2022

BOARD COMMITTEES

Details of Board committees and term of reference is provided in the “**Annexure V**” corporate Governance report of the company.

9. BOARD MEETINGS

The details of the Number of Meetings of the Board held during the financial year 2021-22 form part of the Corporate Governance

10. DECLARATION BY INDEPENDENT DIRECTORS

Mr. Banish Mehta and Mr Pawan Kumar Joshi Independent Directors of the Company have given their respective declaration as required under Section 149(7) of the Companies Act, 2013 to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and that they abide by the provisions specified in Schedule IV to the Companies Act, 2013. The Board has, taken on record the declarations received from Mr. Banish Mehta and Mr Pawan Kumar Joshi

11. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

a) in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the annual accounts on a 'going concern' basis;

e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

12. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable.

13. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis, therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large.

Your Directors draw attention of the members to in the Accounting Policies to the Financial Statement which sets out related party disclosures as prescribed under Accounting Standard 18.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in "Annexure - 1" Form AOC-2 and the same forms part of this report.

14. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy ("the policy"). The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

15. STATUTORY AUDITORS

At the 8th AGM held on 30th November, 2021 the members approved appointment of M/s D S P & Associates (Firm Registration No. 006791N) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the AGM to be held in 2027. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with

effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ninth AGM.

16. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualification, reservation or adverse remark made by the statutory Auditor in their report.

17. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Company has not granted any loans and made investments, or given guarantees or provided securities to other bodies corporate under the provisions of Section 186 the Companies Act, 2013.

18. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2021 made under the provisions of Section 92 (3) of the Act in Form MGT -9 is annexed herewith as **Annexure II**.

19. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) during the financial year 2021-22

20. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

21. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to

ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197(12) read with Rule, 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the “**Annexure-IV**” of the Annual Report.

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22.

| | | |
|--------------------------------|---|-----|
| No of complaints received | : | Nil |
| No of complaints disposed off: | | Nil |

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure “III”**

25. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

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

Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

26. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has established a vigil mechanism, through a Whistle Blower Policy, where Directors and employees can voice their genuine concerns or grievances about any unethical or unacceptable business practice. A whistle-blowing mechanism not only helps the Company in detection of fraud, but is also used as a corporate governance tool leading to prevention and deterrence of misconduct. It provides direct access to the employees of the Company to approach the CFO of the company or the Chairman of the Audit Committee, where necessary. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimization.

27. SECRETARIAL AUDIT REPORT

The Company has appointed Neeraj Jindal & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. The Report of the Secretarial Auditor is annexed to the Board's Report as Annexure 'A'.

28. BOARD EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had adopted a formal mechanism for evaluating its own performance and as well as that of its Committees and individual Directors, including the Chairperson of the Board.

29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the SEBI (LORD) 2015, is presented in **Annexure VI** and the same is for the part of this report.

30. BUSINESS RESPONSIBILITY REPORT (BRR)

The Board of Directors of the Company hereby confirms that, according to the provisions of

Regulation 34(2)(f) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015, the give report on Business Responsibility Report (BRR) is not mandatorily applicable to our company, hence not annexed with Annual Report.

31. DISCLOSURE IN RESPECT OF SCHEME FORMULATED UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013

Since the Company has not formulated any scheme in terms of Section 67(3) of the Companies Act, 2013, therefore no disclosures are required to be made.

32. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

There has been no subsidiary/Associate/Joint Venture incorporated/ceased of your company during the financial year 2020-21

33. DISCLOSURES PURSUANT TO SECTION 197(14) OF THE COMPANIES ACT, 2013:

No disclosure under section 197(14) of the Companies Act, 2013 is required. Company has no Holding or Subsidiary company as on 31st March, 2021.

34. Dividend

No dividend has been declared by the company during the financial year 2021-22

34. SHARES IN SUSPENSE ACCOUNT

There are no shares lying in suspense account

35. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed there under.

36. STATEMENT OF DEVIATION OR VARIATION

Pursuant to Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015, there is no deviation or variation in the use of proceeds

37. OTHER DISCLOSURES

a. There was no revision of financial statements and Board's Report of the Company during the year under review

b. There has been no change in the nature of business of the Company as on the date of this report

c. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

d. The requirement to disclose the details of the difference between the amount of valuation done at the time of onetime settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

38. ACKNOWLEDGEMENT

The Board of Directors acknowledges with gratitude the co-operation and assistance provided to your company by its bankers, financial institutions, government and other agencies. Your Directors thank the customers, vendors and other business associates for their continued support in the company's growth.

For and on behalf of Board of Directors

SD/-

**Reena Sharma
Director
DIN – 06883803**

SD/-

**Jagdish Prasad Arya
Director
DIN - 06496549**

Place: Chandigarh

Dated: 3rd September, 2022

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

*[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,

The KCK INDUSTRIES LIMITED.

**R/o: PLOT NO 484B, VILLAGE DARIA KHATAUNI NO 95,
KHASRA 9/7 CHANDIGARH. - 160101**

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year **1st April, 2021 to 31st March, 2022** 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by (“The Company”) for the financial year ended on 31st March, 2021 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made there under subject to notes given at the end of this report;

II. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder (Not applicable to the company);

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (to the extent applicable to the company)

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company)

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the company);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992(Not applicable to the company);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the company);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the company);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the company);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the company);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the company); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the company);

(VI) Based on the certificates received from Managing Director of the company by and large the company has been complying with various provisions of Industrial and Labour Laws, Taxation Laws and other applicable laws/act, central/state government regulations as applicable to **KCK INDUSTRIES LIMITED** Standalone Financial Statements for period 01/04/2021 to 31/03/2022 them and as has been certified by the Managing Director.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India as applicable on date.

(ii) The Listing Agreements entered into by the Company with (Not Applicable)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation(s):

1. *There were certain instance wherein the Company have delayed in filing the returns / disclosures with Registrar of Companies and the Company has paid additional fees for the same.*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors. The changes in the composition of the Board of Directors that

took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority Decision is carried through while the dissenting member's views are captured and recorded as part of minutes.

We further report that as represented by the company and relied upon by us and based on the information received and records maintained, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Other Matters

Due to COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the audit processes were carried out based on the remote access to the extent available/feasible and necessary records made available by management through digital means.

*Notes:

1. It is hereby brought to your notice that the company was Listed on the NSE (SME) platform in July 2022, so the provisions of the Listed Companies became applicable from that date only.
2. We have relied on the financial statements as approved by the Board of Directors and submitted to the Statutory Auditors and we have also relied on the report of Statutory Auditors.
3. This Secretarial Audit Report has to be read along with the covering letter signed on the even date.

Place: Mohali.

Date: 30.08.2022.

For Neeraj Jindal & Associates

Sd.

Company Secretaries

CS Neeraj Jindal

M. No. F8270

CP No. 9056

UDIN : F008270D000874080

To

The Members,

The KCK INDUSTRIES LIMITED.

**R/o: PLOT NO 484B, VILLAGE DARIA KHATAUNI NO 95,
KHASRA 9/7 CHANDIGARH. - 160101**

KCK INDUSTRIES LIMITED Standalone Financial Statements for period 01/04/2021 to 31/03/2022

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

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

Place: Mohali.

Date: 30.08.2022.

For Neeraj Jindal & Associates

Sd.

Company Secretaries

CS Neeraj Jindal

M. No. F8270

CP No. 9056

UDIN : F008270D000874080

Annexure – I
FORM NO. AOC -2

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

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

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

| SL. No. | Particulars | Details |
|---------|---|---|
| a) | Name (s) of the related party & nature of relationship | NOT REQUIRED AS THERE ARE NO TRANSACTIONS FALLING UNDER THIS SECTION |
| b) | Nature of contracts/arrangements/transaction | |
| c) | Duration of the contracts/arrangements/transaction | |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | |
| e) | Justification for entering into such contracts or arrangements or transactions' | |
| f) | Date of approval by the Board | |
| g) | Amount paid as advances, if any | |
| h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | |

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

| SL. No. | Particulars | Details |
|---------|---|---|
| a) | Name (s) of the related party & nature of relationship | |
| b) | Nature of contracts/arrangements/transaction | |
| c) | Duration of the contracts/arrangements/transaction | NOT REQUIRED AS THERE ARE NO TRANSACTIONS FALLING UNDER THIS SECTION |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | |
| e) | Date of approval by the Board | |
| f) | Amount paid as advances, if any | |

| SL. No. | Particulars | Details |
|---------|---|---|
| a) | Name (s) of the related party & nature of relationship | |
| b) | Nature of contracts/arrangements/transaction | NOT REQUIRED AS THERE ARE NO TRANSACTIONS FALLING UNDER THIS SECTION |
| c) | Duration of the contracts/arrangements/transaction | |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | |
| e) | Date of approval by the Board | |
| f) | Amount paid as advances, if any | |

FOR KCK INDUSTRIES LIMITED

SD/-

**Reena Sharma
Director
DIN – 06883803**

SD/-

**Jagdish Prasad Arya
Director
DIN - 06496549**

Annexure II

DIRECTORS' REPORT (CONTD) ANNEXURE II TO DIRECTORS' REPORT

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31st, 2022

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

I. REGISTRATION AND OTHER DETAILS

| Sl. No. | Particulars | Details |
|---------|--|--|
| 1. | Corporate Identification Number | U24232CH2013PLC034388 |
| 2. | Registration Date | 19-03-2013 |
| 3. | Name of the Company | KCK INDUSTRIES LIMITED |
| 4. | Category / Sub-Category of the Company | PUBLIC COMPANY LIMITED BY SHARES |
| 5. | Address of the Registered office and contact details | PLOT NO 484B, VILLAGE DARIA KHATAUNI NO 95, KHASRA 9/7 CHANDIGARH AND CONTACT:9216910030 |
| 5. | Address of the Corporate office | SCF 214, MOTOR MARKET, MANIMAJRA CHANDIGARH |
| 6. | Whether listed company | YES |
| 7. | Name, Address and contract details of the Registrar and Transfer Agent, if any | CAMEO CORPORATE SERVICES LIMITED SUBRAMANIAN BUILDING, NO.1 CLUB HOUSE ROAD TAMIL NADU, CHENNAI PHONE: 044 -28460390 |

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.

As per Attachment A

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

As per Attachment B

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

- | | |
|---|---------------------|
| i) Category-wise Share Holding | As per Attachment C |
| ii) Shareholding of Promoters | As per Attachment D |
| iii) Change in Promoters' Shareholding (<i>Specify if there is no change</i>) | As per Attachment E |
| iv) Shareholding Pattern of top ten Shareholders (other than Directors, and Promoters and holders of GDRs and ADRs) | As per Attachment F |
| v) Shareholding of Directors and Key Managerial Personnel | As per Attachment G |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but As per Attachment H

not due for payment

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager **As per attachment I**

B. Remuneration to other directors **As per Attachment J**

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD **As per Attachment K**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES **As per Attachment L**

ATTACHMENT A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:

| Sl. No. | Name and Description of main products/services | NIC Code of the product/service * | % to total turnover of the company # |
|----------------|---|--|---|
| 1. | Wholesale of other intermediate products, waste and scrap(trading of yarn and fabrics) | 5149 | 100% |
| 1. | Manufacturing of Rice Shellar | 1531 | 100% |

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

On the basis of Gross Turnover

ATTACHMENT B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sl. No. | Name of Company | Address of Company | CIN/GLN | Holding / Subsidiary /Associate | % of Shares held* | Applicable Section |
|----------------|------------------------|---------------------------|----------------|--|--------------------------|---------------------------|
| | | | NIL | | | |

ATTACHMENT C

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of shareholders | No. of Shares held at the beginning of the year | | | | 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 | 0 | 2120640 | 2120640 | 53.02% | 2120640 | 0 | 2120640 | 53.02% | 0.00 |
| b) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| c) State Govt(s). | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| d) Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| e) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| SUB - TOTAL (A) (1) | 0 | 2120640 | 2120640 | 53.02% | 2120640 | 0 | 2120640 | 53.02% | 0.00 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Other individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (e) Any other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| SUB - TOTAL (A) (2) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+ (A)(2) | 0 | 2120640 | 2120640 | 53.02% | 2120640 | 0 | 2120640 | 53.02% | 0.00 |
| B PUBLIC SHAREHOLDING | | | | | | | | | |
| 1 Institutions | | | | | | | | | |

| | | | | | | | | | |
|--|---|---------|---------|--------|---------|---|---------|--------|------|
| a) Mutual Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) Central Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) State Govt (s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| g) FIIs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (i) Others specify | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| SUB - TOTAL (B) (1) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| 2. Non-institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| ii) Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| I) Individual shareholders holding nominal share capital up to Rs. 1 lakh | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| II) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 0 | 1512960 | 1512960 | 37.82% | 1512960 | 0 | 1512960 | 37.82% | 0.00 |
| c) Others specify | | | | | | | | | |
| HUF | 0 | 366400 | 366400 | 9.16% | 366400 | 0 | 366400 | 9.16% | 0.00 |
| SUB - TOTAL (B) (2) | 0 | 1879360 | 1879360 | 46.98% | 1879360 | 0 | 1879360 | 46.98% | 0.00 |

| | | | | | | | | | |
|--|---|---------|---------|------|---------|---|---------|------|-------|
| TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| C. SHARES HELD BY CUSTODIAN FOR GDRS& ADRS | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| GRANDTOTAL (A+B+C) 1 | 0 | 4000000 | 4000000 | 0.00 | 4000000 | 0 | 4000000 | 0.00 | 00.00 |

ATTACHMENT D

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of 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 * | % change in shareholding during the year |
| 1. | JAGDISH PRASAD ARYA | 980000 | 24.50% | 0 | 980000 | 24.50% | 0 | NIL |
| 2. | REENA SHARMA | 1140640 | 28.52% | 0 | 1140640 | 28.52% | 0 | |
| | Total | 2120640 | 53.02% | 0 | 2120640 | 53.02% | 0 | |

DIRECTORS' REPORT (CONTD)

ATTACHMENT E

iii) Change in Promoters' Shareholding:

| Sl. No. | Name | Shareholding at the beginning of the year (As on 01-04-2021)/ at the end of the year 31.03.2022 | | Shareholding during the year | | | Cumulative Shareholding | |
|---------|---------------------|---|----------------------------------|------------------------------|---|--------|-------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | Date | Increase / Decrease in Promoters Shareholding | Reason | No. of Shares | % of total Shares of the Company |
| 1. | JAGDISH PRASAD ARYA | 980000 | 24.5% | | NIL | | 980000 | 24.5% |
| 2. | REENA SHARMA | 1140640 | 28.52% | | NIL | | 1140640 | 28.52% |

ATTACHMENT F

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

| Sl. No. | For Each of the top ten Shareholders | Shareholding at the beginning of the Year | | Shareholding during the year | | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|------------------------------|--------------------------------|--------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the company | Date | Increase/ Decrease In Sharehol | Reason | No. of Shares | % of total Shares of the company |
| 1 | NARESH PAWARIYA AND SONS HUF | 225120 | 5.63% | | | | 225120 | 5.63% |
| 2 | SHRIKANT SHARMA | 160800 | 4.02% | | | | 160800 | 4.02% |
| 3 | ANKIT KOTHARI | 151520 | 3.79% | | | | 151520 | 3.79% |
| 4 | DIVYANSHU PATHAK | 63100 | 3.15% | | | | 63100 | 3.15% |
| 5 | KULDEEP | 99200 | 2.48% | | NIL | | 99200 | 2.48% |
| 6 | SULOCHNA | 91680 | 2.29% | | | | 91680 | 2.29% |
| 7 | DIVYA KOTHARI | 91680 | 2.29% | | | | 91680 | 2.29% |
| 8 | VIKRAM SINGH AND SONS HUF | 74400 | 1.86% | | | | 74400 | 1.86% |
| 9 | RAMJI LAL AND SONS HUF | 66880 | 1.67% | | | | 66880 | 1.67% |
| 10 | SHEORAYAN ENGINEERS & ASSOCIATES PRIVATE LIMITED | 642400 | 16.06% | | | | 642400 | 16.06% |

DIRECTORS' REPORT (CONTD)

ATTACHMENT G

v) Shareholding of Directors and Key Managerial Personnel

| Sl. No. | For Each of the Directors and KMP | Shareholding at the beginning of the Year | | Shareholding during the year | | | Cumulative Shareholding during the year | |
|---------|-----------------------------------|---|----------------------------------|------------------------------|------------------------------------|--------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the company | Date | Increase/ Decrease In Shareholding | Reason | No. of Shares | % of total Shares of the company |
| 1. | JAGDISH PRASAD ARYA | 980000 | 24.50% | | | | 980000 | 24.50% |
| 2. | REENA SHARMA | 1140640 | 28.52% | | NIL | | 1140640 | 28.52% |

ATTACHMENT H

V. INDEBTENDNESS

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

| | <i>Amount (INR)</i> | | | |
|--|--|-----------------|----------|--------------------|
| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 874014.00 | 55652100.00 | 0.00 | 56526114.00 |
| ii) Interest due but not paid | 0.00 | 0.00 | 0.00 | |
| iii) Interest accrued but not due | 0.00 | 0.00 | 0.00 | |
| TOTAL (i+ii+iii) | 874014.00 | 55652100.00 | 0.00 | |
| Change in Indebtedness during the financial year | | | | |
| Addition | 126631478.30 | 665000.00 | 0.00 | 127296478.30 |
| Reduction | 0.00 | 0.00 | 0.00 | |
| Net Change | 126631478.30 | 665000.00 | 0.00 | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 127505492.3 | 56317100.00 | 0.00 | 183822592.00 |
| ii) Interest due but not paid - | 0.00 | 0.00 | 0.00 | |
| iii) Interest accrued but not due | 0.00 | 0.00 | 0.00 | |
| TOTAL (i+ii+iii) | 127505492.3 | 56317100.00 | 0.00 | 183822592.00 |

ATTACHMENT I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/Manager | | |
|---------|---|--|---|---------------------|
| | | SATYAVEER SINGH DANGI | | Total Amount in Rs. |
| 1. | Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 120000 | 0 | 0 |
| | (b) Value of perquisite u/s 17(2) of the Income Tax 1961 | 0 | 0 | 0 |
| | (c) Profits in lieu of Salary under Section 17(3) of the Income-tax Act, 1961 | 0 | 0 | 0 |
| 2. | Stock Option | 0 | 0 | 0 |
| 3. | Sweat Equity | 0 | 0 | 0 |
| 4. | Commission - as % of profit - as others, specify | 0 | 0 | 0 |
| 5 | Others, please specify | 0 | 0 | 0 |
| | TOTAL (A) | 120000 | 0 | 0 |
| | Ceiling as per the Act | (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013) | | |

ATTACHMENT J

B. Remuneration to other Directors:NIL

| Sl. No. | Particulars of Remuneration | Name of Directors | | | (Amt. in Rs.) Total Amount |
|-----------|--|---|--|------|----------------------------|
| | | | | | |
| 1. | Independent Directors | | | | |
| | Fee for attending board / committee meetings | 0.00 | | 0.00 | |
| . | Commission | 0.00 | | 0.00 | 0.00 |
| | Others, please specify | 0.00 | | 0.00 | 0.00 |
| | TOTAL (1) | | | | |
| 2. | Other Non-Executive Directors | | | | |
| | Fee for attending board / committee meetings | 0.00 | | 0.00 | 0.00 |
| | Commission | 0.00 | | 0.00 | 0.00 |
| | Others, please specify | 0.00 | | 0.00 | 0.00 |
| | TOTAL (2) | | | | |
| | TOTAL (B)=(1+2) | | | | |
| | TOTAL MANAGERIAL REMUNERATION* | | | | |
| | Overall Ceiling as per the Act | (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013) | | | |

* Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B).

ATTACHMENT K

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

| Sl. No. | Particulars of Remuneration | Company Secretary | COMPANY SECRETARY | CFO | CFO | Amount in Rs. Total Amount |
|---------|---|-------------------|--------------------|------------------|-----------------------|----------------------------|
| | | KARTIK BHATIA | HARSIMRAN JIT KAUR | KAMAL KUMAR SHAH | NARESH KUMAR PAWARIYA | |
| 1. | Gross salary | 117097 | 80000 | 174000 | 280000 | 291097 |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | | | | | |
| | (b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961 | | | | | |
| | (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | | | | | |
| 2. | Stock Option | | | | | |
| 3. | Sweat Equity | | | | | |
| 4. | Commission - as % of profit - others | | | | | |
| 5. | Others – please specify | | | | | |
| | Total | 117097 | 80000 | 174000 | 280000 | 291097 |

ATTACHMENT L

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 | | | Nil | | |
| Punishment | | | Nil | | |
| Compounding | | | Nil | | |
| B. DIRECTORS | | | | | |
| Penalty | | | Nil | | |
| Punishment | | | Nil | | |
| Compounding | | | Nil | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | Nil | | |
| Punishment | | | Nil | | |
| Compounding | | | Nil | | |

Annexure "III" to Directors' Report for the year ended 31st March, 2022

Particulars required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

[A] CONSERVATION OF ENERGY:

(a) Energy Conservation Measures Taken:

Energy utilisation is primarily for domestic use and assembly activities which is optimised and further steps are being taken by management to emphasise on conservation of energy with all employees.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: **NIL**

(c) Impact of the measures at (a) & (b) above for reduction of energy consumption & consequent impact on the cost of production of goods: **NIL**

(d) Steps taken by company to use alternate source of energy, if any: **NIL**

(e) Capital investment on energy conservation equipments: **NIL**

(f) Power and Fuel Consumption: **N.A**

| | Current Year | Previous Year |
|--|---------------------|----------------------|
|--|---------------------|----------------------|

Electricity:

| Purchased Unit (million) | Amount |
|--------------------------|--------------|
| Total | (Rs.million) |
| Rate/Unit | |

Furnace Oil:

| Purchased Unit (million) | Amount |
|--------------------------|----------------|
| Qty (Kilo Ltrs) | (Rs. Millions) |
| Rate/Unit | |

[B] TECHNOLOGY ABSORPTION: (N.A)

[C] RESEARCH & DEVELOPMENT: (N.A)

a. Specific areas in which R & D was carried out by the Company: **(N.A)**

b. Benefits derived as a result of the above R & D: **(N.A)**

| <u>Expenditure on R&D:</u> (N.A) | Current Year (Rs. Lakhs) | Previous Year (Rs.Lakhs) |
|--|---|---|
|--|---|---|

- a) Capital
- b) Recurring
- c) Total
- d) Total as % of Turnover Rate/Unit

(D) FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL

Details of earnings in foreign exchange: nil

| Particulars | Current Year 01.04.21- 31.03.22 | Previous Year 01.04.20- 31.03.21 |
|---|--|---|
| Export of Goods calculated on FOB Basis | | |
| Interest and dividend | | |
| Royalty | | |
| Know-how | NIL | NIL |
| Professional and Consultancy fees | | |
| Other Income | | |
| Total earning in foreign exchange | | |

Details of expenditure in foreign exchange: nil

| Particulars | Current Year 01.04.21- 31.03.22 | Previous Year 01.04.20- 31.03.21 |
|--|--|---|
| Import of Capital Goods calculated on CIF Basis: | | |
| (i) raw material | | |
| (ii) component and spare parts | | |
| (iii) capital goods – Software Purchase | | |
| Expenditure on account of: | NIL | NIL |
| Royalty | | |
| Know-how | | |
| Professional and Consultancy fees | | |
| Interest | | |
| Other matters | | |
| Dividend paid | | |
| Total expenditure in foreign exchange | | |

“ANNEXURE-IV”
DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION
197(12) OF THE COMPANIES ACT 2013

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(1) Ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year;

| S.No | Name of Directors | Remuneration | % Increase in Remuneration | Ratio of remuneration of each Director/ to Median remuneration of employees |
|------|--|--------------|----------------------------|---|
| 1 | SATYAVEER SINGH DANGI (Managing Director)* | 120000 | NA | 0.75 |
| 2 | Jagdish Prasad Arya (Director) | NIL | NIL | NIL |
| 3 | Reena Sharma (Director) | NIL | NIL | NIL |
| 4 | Pawan Kumar Joshi (Independent Director) | NIL | NIL | NIL |
| 5 | Banish Mehta (Independent Director) | NIL | NIL | NIL |

(2) The median remuneration of employees of the Company during the financial year was Rs. 1,59,462/-

Ms Harsimran Jit Kaur, Company Secretary Has been appointed as a company secretary in the company with from 28th January, 2022.

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

Mr Kamal Kumar Shah has been appointed as a CFO in the company with from 28th January, 2022

| S.No | Name of Directors | Designation | Remuneration | % Increase in Remuneration |
|------|-----------------------|-------------------|--------------|----------------------------|
| 1. | Satyaveer Singh Dangi | Managing Director | 120000 | |
| 2. | Kamal kumar Shah | CFO | 174000 | NA |
| 3. | Harsimran Jit Kaur | Company Secretary | 80000 | |
| 4. | Kartik bhatia | Company Secretary | 105097 | |
| 5. | NARESH KUMAR PAWARIYA | Company Secretary | 2,80,000 | |

Mr Kartik Bhati Has been resigned from the post of company secretary in the company with effect from 10th January, 2022.

Mr Naresh Kumar Pawariya resigned from the post of CFO of the company with from 10th January, 2022

(4) The number of permanent employees on the rolls of company as on 31st March, 2022 was 6.

(5) Relationship between average increase in remuneration and company performance:

There was increase in employees of the company as company started the new business of manufacturing of rice in addition to the existing business. So comparison of remuneration and company performance is not possible.

(6) The percentage increase in median remuneration of employees in the financial year:

Median remuneration of employees during the financial year 2021-2022 was 1,59,462 as compared to 150000 previous financial year.

Median remuneration reduce with increase no of employees due to the addition of new line of business.

The payment of managerial remuneration was as per the remuneration approved by the shareholders of the Company and within the limit specified under the Companies Act 2013.

(7) Variations in the market capitalization of the Company:

- (a) The market capitalization as on March 31, 2022 was
Company was not listed on any stock exchange as on 31st March, 2022

(8) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

Key managerial personnel joined during the year under review and there was change of KMP also in the same year.

(9) Comparison of average percentile increase in the salaries of employees other than the managerial personnel and managerial personnel:

There was no change in the remuneration of the employees. Only increase in no of employees happened in the company due to addition of new line of business. and the salary of MD is fixed so there is no change in the percentile of MD remuneration.

(10) Comparison of each remuneration of key Managerial Personnel against the performance of the company:

| S.no | Name of KMP | Remuneration | Comparison of the Remuneration of the KMP against the performance of the Company |
|------|-----------------------|--------------|--|
| 1. | Satyaveer Singh Dangi | 120000 | KMP'S were appointed in the Financial year 2021-22 under review. |
| 2. | Kamal Kumar Shah | 174000 | |
| 3. | Harsimran Jit Kaur | 80000 | |
| 4. | Kartik Bhatia | 105097 | |

(11) The key parameters for the variable component of remuneration availed by the directors :

There is no variable component of remuneration availed by the directors of the company. Directors of the company received fixed remuneration during the year under review.

(12) Ratio of Remuneration of the highest paid director to that of employees who are not director but receive remuneration in excess of the highest paid director during the year: 0:12

(13) Remuneration is as per the remuneration policy of the company.

CORPORATE GOVERNANCE

Our company stands committed to good corporate governance practices based on the principle such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting.

The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under Law.

Our corporate governance philosophy is based on the following principles:

- ❖ Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- ❖ Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose.
- ❖ Make a clear distinction between personal conveniences and corporate resources.
- ❖ Communicate externally, in a truthful manner, about how the Company is run internally.
- ❖ Have a simple and transparent corporate structure driven solely by business needs.
- ❖ The Management is the trustee of the shareholders' capital and not the owner.

The Company believes that corporate governance is about creating organizations that succeed in the marketplace with the right approach and values. This will enhance the value for all its stakeholders.

(1) BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

- A) The Board of Directors of the Company (Board) has optimum combination of Executive and Non Executive Directors

The following is the Composition of the Board as at 31st March, 2022:

| Category | Name of the Directors | Designation | No of Shares held |
|--|-----------------------|-------------------|-------------------|
| Promoter & Non Executive Director | Reena Sharma | Managing Director | 1140640 |
| Promoter & Non Executive Director | Jagdish Prasad Arya | Director | 980000 |
| Managing Director | Satyaveer Singh Dangi | Director | NIL |
| Independent Director | Pawan Kumar Joshi | Director | NIL |
| | Banish Mehta | Director | NIL |

(b) NO. OF BOARD MEETING HELD AND DATES

| | |
|-----------|-------------------|
| 1 | 17.06.2021 |
| 2 | 05.07.2021 |
| 3 | 12.07.2021 |
| 4 | 31.07.2021 |
| 5 | 06.08.2021 |
| 6 | 20.08.2021 |
| 7 | 28.08.2021 |
| 8 | 08.09.2021 |
| 9 | 30.10.2021 |
| 10 | 04.11.2021 |

| | |
|-----------|-------------------|
| 11 | 11.11.2021 |
| 12 | 24.11.2021 |
| 13 | 08.12.2021 |
| 14 | 28.12.2021 |
| 15 | 04.01.2022 |
| 16 | 01.01.2022 |
| 17 | 08.01.2022 |
| 18 | 11.01.2022 |
| 19 | 28.01.2022 |
| 20 | 31.01.2022 |
| 21 | 8.02.2022 |
| 22 | 17.03.2022 |

The details of directors and their attendance record at the Board Meeting held during the Year under review are as follows:

| S.No | Name of Directors | Category | Attendance Of Board Meetings | Attended last AGM | No. Of Other Directorship / Committees Membership/ Chairmanship | | |
|------|-----------------------|------------------------------------|------------------------------|-------------------|---|-----|-----|
| | | | | | O.D | C.M | C.C |
| 1. | JAGDISH PRASAD ARYA | MANAGING DIRECTOR | 22 | Yes | 1 | - | - |
| 2. | REENA SHARMA | NON EXECUTIVE DIRECTOR | 22 | Yes | NA | - | - |
| 3. | PAWAN KUMAR JOSHI | NON EXECUTIVE DIRECTOR | 22 | Yes | NA | -- | - |
| 4. | BANISH MEHTA | NON EXECUTIVE INDEPENDENT DIRECTOR | 22 | Yes | NA | - | - |
| 5. | SATYAVEER SINGH DANGI | NON-EXECUTIVE INDEPENDENT DIRECTOR | 22 | Yes | NA | - | - |

- (O.D.) Directorship in other Company
- (C.M.) Committee Membership
- (C.C.) Committee Chairmanship

(2) COMMITTEES OF THE BOARD

The Board of Directors has constituted 3 Committees of the Board viz.

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholder Relationship Committee

AUDIT COMMITTEE

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Section 177 of the Companies Act, 2013 vide resolution passed in the meeting of the Board of Directors held on 1st January, 2022.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013. The committee presently comprises following three (3) directors. Mr. Banish Mehta is the Chairman of the Audit Committee.

| Sr. No. | Name of the Director | Status | Nature of Directorship |
|---------|---------------------------|----------|------------------------|
| 1. | Mr. Banish Mehta | Chairman | Independent Director |
| 2. | Mr. Pawan Kumar Joshi | Member | Independent Director |
| 3. | Mr. Satyaveer Singh Dangi | Member | Managing Director |

Role of Audit Committee

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section (3) of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements

- f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
 10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 13. Discussion with internal auditors any significant findings and follow up there on.
 14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, sholders (in case of non payment of declared dividends) and creditors.
 17. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 20. Mandatorily reviews the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
 21. Review the Financial Statements of its subsidiary company, if any.
 22. Review the composition of the Board of Directors of its Subsidiary Company, if any.
 23. Review the Vigil mechanism (whistle blowing) policy.
 24. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Our Company has constituted a Stakeholders Relationship Committee ("Stakeholders relationship committee") to redress the complaints of the shareholders. The Stakeholders Relationship Committee was reconstituted vide resolution passed at the meeting of the Board of Directors held on 1st January, 2022. The committee currently comprises of three (3) Directors. Mr. Banish Mehta is the Chairman of the Stakeholders relationship Committee.

| Sr. No. | Name of the Director | Status | Nature of Directorship |
|---------|-------------------------|----------|------------------------|
| 1. | Mr. Banish Mehta | Chairman | Independent Director |
| 2. | Mr. Pawan Kumar Joshi | Member | Independent Director |
| 3. | Mr. Jagdish Prasad Arya | Member | Non Executive Director |

- Role of stakeholder Relationship committee
- The Stakeholder Relationship Committee of our Board look into:
- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.

The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

NOMINATION AND REMUNERATION COMMITTEE

Our Company has constituted a Nomination and Remuneration Committee ("Nomination and Remuneration Committee") in terms of section 178 (3) of Companies Act, 2013. The Nomination and Remuneration Committee was reconstituted vide resolution passed at the meeting of the Board of Directors held on 1st January, 2022. The Committee currently comprises of three (3) Directors. Mr. Banish Mehta is the Chairman of the Nomination and Remuneration Committee.

| Sr. No. | Name of the Director | Status | Nature of Directorship |
|---------|-------------------------|----------|------------------------|
| 1. | Mr. Banish Mehta | Chairman | Independent Director |
| 2. | Mr. Pawan Kumar Joshi | Member | Independent Director |
| 3. | Mr. Jagdish Prasad Arya | Member | Non Executive Director |

The Company Secretary of our Company shall act as the Secretary to the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Remuneration Committee are as follows:

- The Nomination and Remuneration committee recommends to the board the compensation terms of the executive Directors.
- The committee to carry out evolution of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- The committee to identify persons who may be appointed in senior management in accordance with the criteria laid down.
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders.

INDEPENDENT DIRECTOR MEETINGS

Performance evaluation criteria for independent directors.

- a. Evaluation of the performance of the Non – Independent Directors and Board of Directors as a whole;
- b. Evaluation of the performance of the Chairperson of the Company, taking into account the views of the Executive and Non –Executive Directors;
- c. Evaluation of the quality, content and timeline of flow of information between the management and the board that is necessary for the board to effectively and reasonably perform its duties.

Composition

- 1) Mr. Pawan Kumar Joshi
- 2) Mr. Banish Mehta

GENERAL BODY MEETINGS

Details of Annual General Meetings (AGMs)

| YEAR | VENUE | DATE | TIME |
|------|-------------------|---------------------------------|-----------|
| 2017 | Registered Office | 29th September, 2017 | 12.00 P.M |
| 2018 | Registered Office | 29th September, 2018 | 12.00 P.M |
| 2019 | Registered Office | 30th September, 2019 | 1:00 PM |
| 2020 | Registered Office | 31 st December, 2020 | 1:00 P.M |
| 2021 | Registered Office | 30th November, 2021 | 1.00 P.M |

(b) Details of Special Resolutions passed in previous Annual General Meetings:

| DATE OF AGM | NUMBER OF SPECIAL RESOLUTION PASSED | DETAILS OF SPECIAL RESOLUTION PASSED |
|---------------------|-------------------------------------|--|
| 30TH NOVEMBER, 2021 | One | Appointment of Mr Satyaveer Singh Dangi as Managing Director |

(3) GENERAL INFORMATION TO SHARE HOLDERS

i. ANNUAL GENERAL MEETING:

Remote E-voting for Annual General Meeting

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged remote e-voting facility. The Company has engaged CDSL to provide e-voting facility to all the members. Members whose name will appear on the register of members as on Friday, 23rd day of September, 2022 shall be eligible to participate in the e-voting.

| Date | Time | Venue |
|----------------------------------|-----------|--|
| 30 th September, 2022 | 12:30 p.M | Hotel Solitaire ,SCO No. 902 - 903, N.A.C, Housing Board Chowk, Manimajra, Chandigarh, 160101 |

ii. FINANCIAL CALANDER

| | |
|-----------------------|--|
| Financial Year | April 1, 2021 to March 31, 2022 |
| Book Closure | The Register of Members of the Company shall remain closed from the, Saturday, 24 th September, 2022 to Friday, 30 th September, 2022 (both days inclusive). |

iii DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on March 31, 2022, 100% of the Company's shares were held in dematerialized form. The break up is listed below:

| Category | No Of Shares Held | Shareholding(%) |
|--------------------|-------------------|-----------------|
| PHYSICAL | NIL | |
| ELECTRONIC IN NSDL | NIL | |
| ELECTRONIC IN CDSL | 4000000 | 100% |
| | 10109080 | 100% |

v CATEGORIES OF SHAREHOLDING:

| Categories | No of shares held | Percentage of shareholding |
|----------------|-------------------|----------------------------|
| PROMOTER | 2120640 | 53.02% |
| BODY CORPORATE | 642400 | 16.06% |
| 7871405 | 870560 | 21.76% |
| HUF | 366400 | 9.16% |
| TOTAL | 4000000 | 100% |

Vi ISIN AND ROC CODE

ISIN No.: INE0J1E01019

The Company is registered in the Union Territory of Chandigarh, India

Having Corporate Identity Number (CIN) is: U24232CH2013PLC034388

VII DISCLOSURES

1. **Related Party Transaction**

The company has no material significant transaction with its related parties which may have potential conflict with the interest of the Company at large. The details of the transaction with the company and related parties are given for information under notes to the Accounts

2. Statutory compliances, penalties and structures:

The company has complied with the statutory compliances and there is no penalty or strictures are imposed on the company by the Stock Exchange or Securities Exchange Board of India, any other statutory authority on any matter related to the capital market during the last year.

3. Whistle blower Policy

Pursuant to section 177(9) and (10) of Companies Act, 2013 and Regulation 22 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy/Vigil Mechanism for Directors and Employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available at company website www.kckindustriesltd.com

4. Disclosure of Accounting Treatment In the preparation of the Financial Statement

The Company has followed the Indian Accounting Standards referred to in section 133 of the Companies Act, 2013. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

5. Non-mandatory requirements

Adoption of Non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

6. Risk Management:

Business risk evaluation and management is ongoing process within the Company. The Assessment is periodically examined by the Board.

7. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of number of complaints filed and disposed of during the year and pending as on March 31, 2022 is given in the Director's Report.

8. Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.: - Not Applicable

9. **The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) of Listing Regulations**

The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub regulation (2) of Regulation 46 of the Listing Regulations.

viii LISTING ON STOCK EXCHANGE

The equity shares of KCK INDUSTRIES LIMITED got listed on NSE Emerge on 8th July, 2022.

ix REGISTRAR AND SHARE TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED

SUBRAMANIAN BUILDING, NO.1
CLUB HOUSE ROAD
TAMIL NADU, CHENNAI
PHONE: 044 -28460390
E-MAIL: cameo@cameoindia.com

x REGISTERED OFFICE

PLOT NO 484B, VILLAGE DARIA
KHATAUNI NO 95, KHASRA 9/7 CHANDIGARH
Website: www.kckindustriesltd.com
CIN No.: U24232CH2013PLC034388

XI CORPORATE ADDRESS

SCF 214, MOTOR MARKET
MANIMAJRA, CHANDIGARH-160101

XII MEANS OF COMMUNICATION

The Company's half yearly and yearly financial results were taken on record and approved by the Board of Directors after reviewed by Audit Committee and submitted to the Stock Exchange in terms of the requirements of Listing Regulations. These were uploaded on the web-site of the Company.

In pursuance of Regulation 33 (3) read with Schedule V of Listing Regulations, the Company is maintaining its website www.kckindustriesltd.com contains basic information about the company e.g. details of its business, financial information, shareholding pattern, etc. The company also agrees to ensure that the contents of the said website are updated at any given point of time.

The Company's Annual Report is also available in down loadable form. The Company has total 110 Shareholders as on 31st March, 2021. The main channel of communication to the shareholders is through its web-site as mentioned above and Annual Report, which includes inter alia, the Director's Report, Management Discussions & Analysis and Report on Corporate Governance and Audited Financial Results. The Annual Report is also posted on the web-site of the Company viz. www.kckindustriesltd.com.

XIII. INSIDER TRADING

The Company has formulated Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders including therein Code of Conduct for fair disclosures of price sensitive information of the Company, in terms of provisions of SEBI (Prohibition of Insider Trading) Regulation, 1992/2015.

The same has also been uploaded on the web-site of the Company viz. www.kckindustriesltd.com. The policy lays down guidelines and procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

During the year under review, the Company has revised the following policies under Insider Trading Regulations :-

1. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI),
2. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders

DECLARATION REGARDING CODE OF CONDUCT

This is to certify that the Company had laid down code of conduct for all the board members and senior management personnel of the Company. Further certified that the members of the board of directors and senior management personnel have affirmed the compliance with the code applicable to them during the year ended 31st March 2022.

**By Order of the Board of Directors
For KCK INDUSTRIES LIMITED**

SD/-

**Place: CHANDIGARH
Dated: 3rd September, 2022.**

**Jagdish Prasad Arya
DIRECTOR
DIN – 06496549**

ANNEXURE VI

MANAGEMENT DISCUSSION & ANALYSIS

Industry Overview

OVERVIEW OF CHEMICAL INDUSTRY IN INDIA

The Indian chemical industry is one of the oldest industries in India and has made immense contribution to the industrial and agricultural development of India. It encompasses both large and small-scale units. The fiscal incentives granted to the small-scale units in the mid-1980s provided the thrust to the growth of MSMEs in the sector. The chemical industry serves the needs of sectors such as textiles, leather, plastics, paper, printing inks and food stuffs, among others.

The sector covers over 70,000 commercial products, and provides the feedstock to many downstream industries such as finished drugs, dyestuffs, paper, synthetic rubber, plastics, polyester, paints, pesticides, fertilizers and detergents. Over the years, the industry has been evolving with a shift towards product innovation, brand building and environmental friendliness. Besides, customer focus is gaining significance in the industry.

Leading Position Globally

Chemical industry in India is the third largest producer in Asia and sixth largest in the world.

The Indian chemical industry is expected to surge to USD 226 billion by 2020, up by nearly 35 percent from USD 147 billion in 2015.

Indian chemical industry is expected to double its share in global chemical industry to 5-6% by 2021 registering growth of 8-9% in the next decade.

High GDP Share

The chemical industry in India is a key constituent of Indian economy, accounting for about 2.11 per cent of the GDP

Global Dye Supplier

India accounts for approximately 11 per cent of the world production of dyestuff and dye intermediates, particularly for reactive acid and direct dyes

CHARACTERSTICS OF THE INDIAN CHEMICAL INDUSTRY

- The industry has changed over time to meet the dynamic needs of an emerging economy
- Strong economic growth and rise in per-capita income has meant a steady increase in demand for chemicals
- Expected to clock a growth of 14 per cent over the next decade
- The industry has left behind a low-growth and regulated environment to emerge more mature
- There is strong government support towards R&D; this would benefit the sector

Business Overview

Our Company was originally incorporated at Chandigarh as "Kck Sales Private Limited" on 19th March, 2013 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Punjab and Chandigarh. Consequent upon the conversion of Company to public limited company, the name of the Company was changed to "Kck Sales Limited" vide fresh Certificate of Incorporation dated 19st October, 2020 issued by the Registrar of Companies, Chandigarh. Further, the name of Company has been changed to " Kck Industries Limited" on 11th November, 2020 vide Fresh Certificate of Incorporation issued by the Registrar of Companies, Chandigarh.

Our Company which was originally established by Mr. Jagdish Prasad Arya and Later on Mrs. Reena Sharma joined the business with Mr. Jagdish Prasad Arya. The business was started in the year 2013 in Chandigarh with a commitment to supply quality products meeting or exceeding customer's expectation and achieving objective of being a preferred supplier.

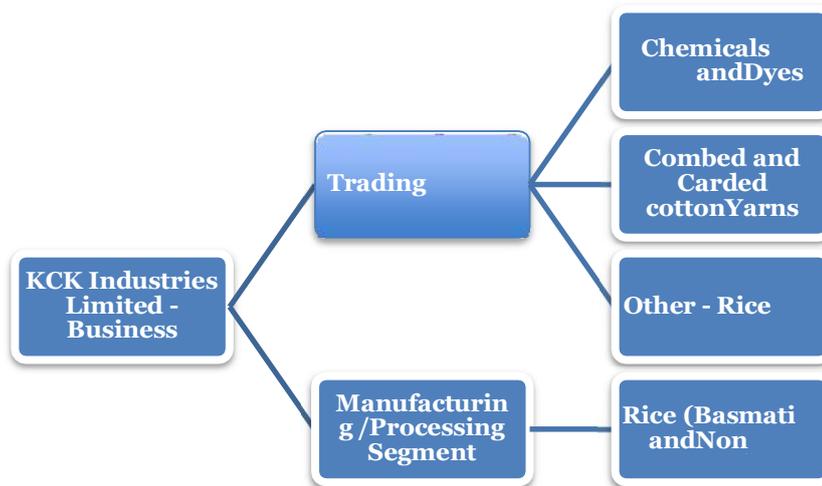
Our Company is achieving a steady growth and has expanded its range of products from dyes to auxiliaries to speciality chemicals. We believe that our expertise in chemical trading has enabled us to expand into new value added products. With our wide range of products, we cater to various industries viz. Dyestuff and Dye intermediates, Textiles, Speciality Chemicals etc.

We offer a gamut of products in our chemicals and dyes product portfolio, which includes as below:

Combed yarn and Carded yarn

- Auxiliaries: dyeing
- Auxiliaries: Easy Care Finishing
- Auxiliaries: Finishing
- Auxiliaries Flame Retardant
- Auxiliaries: optical Brightener
- Auxiliaries: Pigment printing
- Auxiliaries: Pre-treatment
- Auxiliaries: Printing(other)
- Auxiliaries Softener
- Auxiliaries: Antifoaming/Deaerating
- Auxiliaries: Detergent(pre-Treatment)
- Basic chemicals

We are constantly striving to expand our line of products and we are always on the lookout for complementary products that will add to our solution bouquet. We would seek product lines which have better scope for value addition and therefore offer us higher than average margins.



With an addition in vertical line of business segment, Our Company acquired a Rice Shellar Plant of M/s. Shiv Shakti Rice Mills from Punjab National Bank situated at Sunam Lehra Road Village Khokhar, Distt Sangrur in the year 2020-21. The manufacturing plant is fully integrated and automatic and started its operations since April, 2021. The Capacity of plant is 12 Ton/hour and current utilization is 7 Ton/ Hour.

At our processing plant, we processing the non-basmati and basmati rice. We process varieties of rice with the help of state of the art plant and machinery. We serve to our consumers healthy, hygienic, tasty and nutrient rice. We are backed by a strong infrastructural base, which is well equipped with latest technology, advance machines and equipments which assist us in maintaining the quality and quantity of the rice. We have a strong focus on processing process and have a quality testing laboratory and well qualified and experienced personnel.

Strengths

- Diversified product portfolio
- Strong managerial capability
- Cordial relations with Customers
- Adaptability of company in the fast changing environment
- Sound structured facilities
- Reputed suppliers
- Efficient supply chain management

Weaknesses

- Higher taxes
- Dependence on suppliers for products availability
- Working capital intensive due to payment delays from customers

Opportunities

- Large Potential.
- Increasing interest of foreign players in India
- Increasing demand

Threats

- Competition from other established competitors in India or Outside India
- Rising prices of materials
- Formation of cartels
- Government & regulatory norms

Fluctuations in the material prices

Outlook

The long term objective of the Company is to remain strong player in the market with strong emphasis on product and market development. Your Company is also continuously improving its operational efficiency, and cost control which alone can improve the bottom line in future in highly competitive environment. Further, your Company is hopeful to get advantage of this overall boom likely to happen for the Indian markets and will do all out efforts to secure the bigger share of the increasing market in future.

Internal Control Systems and Their Adequacy

The Company has proper and adequate systems of internal controls. Regular internal audits and checks are carried out to ensure that the responsibilities are executed effectively and that adequate systems are in place.

CAPACITY AND CAPACITY UTILISATION:

Following are the Details of Installed Capacity, Capacity utilisation.

The Capacity of plant is 12 Ton/ hour and current utilization is 7 Ton/ Hour.

HUMAN RESOURCES:

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

The details of manpower employed as on date of Prospectus are as under:

| Category | No. of Employees |
|---|------------------|
| Management: | |
| Directors | 1 |
| Operations: | |
| Operator, Turner, Assistant, Manager etc. | 22 |
| Administration, Accounts & Finance, Marketing: | |
| Legal and Company Secretary | 1 |
| Accounts and Sales, Marketing | 7 |
| Godown Incharge and Helper | 3 |
| TOTAL | 34 |

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

KCK INDUSTRIES LIMITED

PLOT NO 484B, VILLAGE DARIA KHATAUNI NO 95,

KHASRA 9/7 CHANDIGARH – 160101.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KCK INDUSTRIES LIMITED having CIN: U24232CH2013PLC034388 and having registered office at PLOT NO 484B, VILLAGE DARIA KHATAUNI NO 95, KHASRA 9/7 CHANDIGARH – 160101 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

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

For Neeraj Jindal & Associates
Company Secretaries

CS. Neeraj Jindal. Proprietor

(Membership No.: FCS 8270)

(Certificate of Practice No.: 9056)

(Peer Review Certificate No. **2258/2022**)

*CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE
GOVERNANCE*

**[Pursuant to paragraph E of Schedule V of Securities and Exchange Board
of India(Listing Obligations and Disclosure Requirements) Regulations,
2015]**

To,

The Members,

KCK INDUSTRIES LIMITED

PLOT NO 484B, VILLAGE DARIA KHATAUNI NO 95,

KHASRA 9/7 CHANDIGARH – 160101.

We have examined the compliance of the conditions of Corporate Governance by KCK INDUSTRIES LIMITED ('the Company') for the year ended on 31st March 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub- regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March 2022.

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

For Neeraj Jindal & Associates

Company Secretaries

(Membership No.: FCS 8270)

(Certificate of Practice No.: 9056)

(Peer Review Certificate No. 2258/2022)

Place : Mohali

Date:2nd,September2022

**INDEPENDENT AUDITOR'S REPORT
To The Members of KCK INDUSTRIES LIMITED**

**Report on the audit of Financial Statements
Opinion**

We have audited the accompanying financial statements of **KCK INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, aforesaid financial statements give the information required by Companies Act, 2013 ('Act') in the manner so required and 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 March 31, 2022, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

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

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

The boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the

company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. (A) As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the 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 March 31, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- (B) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company does not have any pending litigations which would impact its financial position.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There are no amounts, required to be transferred, to the Investor-Education and Protection Fund by the Company.
 - d) The Management has represented that, to the best of its knowledge and belief,
 - (i) no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly,

lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
 - e) The company has not declared any dividend during the current year.
- (C) With respect to the matter to be included in the Auditors’ Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For DS P & ASSOCIATES
Chartered Accountants
Firm Reg No.- 006791N

SIDHARTH GUPTA
M. No. 541066
Partner

Date: 3RD September,2022
Place:Ludhiana
UDIN:

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2022)

1. (a)
 - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (B) The company does not have any intangible assets.
 - (b) According to the information and explanation given to us and on the basis of our examination of records of the company, the company has a regular programme of physical verification of its property, plant and equipment, by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanation given to us and on the basis of our examination of record of the company, title deeds of immovable property are held in name of company.
 - (d) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has not revalued its property, plant and equipment during the year.
 - (e) According to the information and explanation given to us and on the basis of our examination of the records of the company, there are no proceeding initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transaction Act 1988, and rule made thereunder.
2. (a) As explained to us, the inventories were physically verified during the year by the management at reasonable interval. In our opinion the coverage and procedure of such verification is appropriate and no discrepancies were found in such verification.
 - b) According to the information and explanation given to us and on the basis of our examination of the records, the company is availing working capital limits in excess of five crore rupees, in aggregate, from a consortium of banks on the basis of the security of current assets. Based on our verification we state that the quarterly returns filed by the company with the bank are in conformity with the books of accounts.
3. According to the information and explanation given to us and on the basis of our examination of the records of the company, the company, during the year, has not made any investment in, or provided guarantees or security or granted any loan or advances in

the nature of loan, secured or unsecured to companies, firm, limited liability partnership. Accordingly, clause 3(iii)(a) to (f) of the order are not applicable.

4. According to the information and explanations given to us, and on the basis of our examination of the records, the In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a Company in which the Director is interested to which provisions of section 185 of the Act apply. The provisions of section 186 of the Act, in our opinion, are not applicable to the Company.
5. The company has not accepted any deposits or amounts which are deemed deposit from the public. Accordingly, clause 3(v) of the order is not applicable.
6. Pursuant to the rules by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148 (1) of the Act in respect of its products.
7. According to information and explanations given to us in respect of statutory dues:
 - (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and service tax, Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

There were no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us and records of the company examined by us, there are no statutory dues which have not been deposited on account of any dispute.

8. According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has not surrendered or disclose any transaction, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax act, 1961 as income during the year. Clause 3(viii) are not applicable to the company hence not commented upon.
9.
 - a) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has not defaulted in the repayment of loan or borrowing or in the payment of interest thereon to any lender.
 - b) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company is not declared willful defaulter by any bank or financial institution or government or government authority or any other lender.

- c) In our opinion and according to the information and explanations given to us by the management, the company has utilized the money by way of term loan during the year for the purposes for which they were obtained.
- (d) According to the information and explanation given to us and on the basis of overall examination of the balance sheet of the company, we report that no fund raised on short basis have been used for long term purposes by the company.
- (e) According to information and explanation given to us and on overall examination of financial statement of the company, we report that Company has not taken fund from any entity or person on account of or to meet the obligation of its subsidiaries, associate or joint venture. The company does not hold any investment in any associate or joint venture (as defined in the act) during the year ended 31 March 2022.
- (f) According to information and explanation given to us and procedure performed by us, we report that the company has not raised loans during the Year on pledge of securities held in its subsidiaries, joint ventures, or associate company (as defined under the act).
10. a) The company has not raised money by way of initial public offer or further public offer(including debt instruments) during the year, Accordingly Clause, 3(x)(a) of the order is not applicable to the company .
- b) During the year, the company has not made any preferential allotment or private placement of shares convertible debenture (fully, partially or optionally) during the year and hence reporting under clause 3(x)(b) of the order is not applicable to the company.
11. (a) Based on the examination of the books and records of the company and according to the Information and explanation given to us, considering the principle of materiality outline in the standard of auditing we report that no fraud by the company or on the company has been noticed during the course of the audit.
- (b) According to information and explanation given to us, no report under subsection(12) of section 143 of the act has been filed by the auditors in form ADT-4 as prescribed Under Rules 13 of Companies (Audit and Auditor) Rules, 2014 with the central government.
- (c) The auditor has not received any complaints from whistle -blower during the year. Therefore reporting under clause 3(xi)(c) of the order is not applicable to the company.
12. In our opinion the company is not a Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable.
13. According to information and explanation given to us, all transaction with the related party are in compliance with section 177 and 188 of companies act, 2013 and the details have been disclosed in the financial statement as required by the applicable accounting standards.

14. (a) Based on information and explanation provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and the nature of its business.

(b) There are no internal auditor reports of the company for the period under audit.
15. According to information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him and hence the provision of section 192 of the Companies Act 2013, are not applicable.
16. (a) According to information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Therefore provision of clause 3(xvi)(a) and (b) of the order are not applicable to company hence not commented upon.

(c) The company is not a Core Investment company (CIC) as defined in the regulation made by Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the order are not applicable.

(d) According to the information and explanation provided to us during the course of audit, the Group does not have any CICs.
17. Based on the procedure performed and information and explanation given by the management the company has not incurred any cash losses in the financial year and in immediately preceding financial year. Accordingly, the provision of clause 3(xvii) of the order are not applicable to the company and hence not commented upon.
18. There has been resignation of statutory auditors during the year. We have considered the issues, objections, or concerns, if any, by the outgoing auditors.
19. According to the information and explanation given to us and on the basis of financial ratio, ageing and the expected dates of realization of the financial assets and payment of financial liabilities, other information accompanying the financial statement, our knowledge of the board of director and management plans and based on our examination of evidence supporting the assumption nothing has come to our attention, which cause us to believe that any material uncertainty exists on the date of audit report and the company is not capable meeting its liabilities existing at the date of balance sheet as and when they fall due within a period one year from the Balance Sheet date. We, however, state that this is not assurance as to the future viability of the company. We further state that our reporting is based on facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
20. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For DS P & ASSOCIATES
Chartered Accountants
Firm Reg No.- 006791N

SIDHARTH GUPTA
M. No. 541066
Partner

Date: 3RD September,2022
Place:Ludhiana
UDIN:

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(1)(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **KCK INDUSTRIES LIMITED** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the

Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 DS P & ASSOCIATES
Chartered Accountants
Firm Reg No.- 006791N

SIDHARTH GUPTA
M. No. 541066
Partner

Date: 3RD September,2022
Place: Ludhiana
UDIN:

KCK Industries Limited

Balance Sheet as at 31st March 2022

(All amounts in Lacs unless otherwise stated)

| Particulars | Notes | As at | | As at | |
|--|-------|----------------|-----------------|----------------|-----------------|
| | | March 31, 2022 | | March 31, 2021 | |
| I EQUITY AND LIABILITIES | | | | | |
| (1) Shareholders' funds | | | | | |
| (a) Share capital | 2 | 400.00 | | 400.00 | |
| (b) Reserves and surplus | 3 | 140.84 | 540.84 | 20.68 | 420.68 |
| (3) Non-current liabilities | | | | | |
| (a) Long-term borrowings | 4 | 570.87 | | 563.08 | |
| (b) Deferred tax liabilities (Net) | 5 | 14.35 | | 0.16 | |
| (c) Long-term Provision | 6 | - | 585.22 | - | 563.24 |
| (4) Current liabilities | | | | | |
| (a) Short-term borrowings | 7 | 1,267.35 | | 2.18 | |
| (b) Trade payables | | | | | |
| - Total outstanding dues of micro enterprises and small enterprises | | - | | - | |
| - Total outstanding dues to other than micro enterprises and small enterprises | 8 | 1,899.28 | | 2,051.50 | |
| (c) Other current liabilities | 9 | 56.07 | | 49.09 | |
| (d) Short-term provisions | 6 | 31.62 | 3,254.32 | 6.55 | 2,109.32 |
| Total | | | 4,380.38 | | 3,093.25 |
| II ASSETS | | | | | |
| Non-current assets | | | | | |
| (a) Property, Plant and Equipmnets and Intangible Assets | | | | | |
| Property Plant and Equipment | 22 | 1,174.93 | | 955.01 | |
| (b) Non current investments | 10 | 10.15 | | 10.15 | |
| (c) Other Non-Current Assets | 11(a) | 26.62 | 1,211.70 | 10.91 | 976.08 |
| (2) Current assets | | | | | |
| (a) Inventories | 12 | 1,960.23 | | 385.70 | |
| (b) Trade receivables | 13 | 659.16 | | 1,503.86 | |
| (c) Cash and Cash Equivlents | 14 | 21.95 | | 36.38 | |
| (d) Short Term Loan and advances | 11 | 527.35 | | 191.23 | |
| (e) Other current assets | 15 | - | 3,168.68 | - | 2,117.17 |
| Total | | | 4,380.38 | | 3,093.25 |

The notes are an integral part of these Financial Statements

As per our review report of even date

For D S P & Associates

Chartered Accountants

ICAI Firm Registration No.: 06719N

Shdharth Gupta
Partner
Membership No. 541066

Place:
Date:

For and on behalf of the Board of Directors of
KCK Industries Limited

Jagdish Prasad Arya
Director
DIN: 06496549

Place:
Date:

Satyaveer Singh Dangi
Director
DIN: 09205556

Place:
Date:

KCK Industries Limited

Statement of Profit and Loss for the year ended 31st March 2022

(In Lacs)

| Particulars | Note No. | For the Year | |
|--|----------|------------------|------------------|
| | | ended 31.03.2022 | ended 31.03.2021 |
| I. Income | | | |
| Revenue from operations | 16 | 6,932.26 | 3,911.58 |
| II. Other income | 17 | 45.04 | 1.44 |
| III. Total Income (I +II) | | 6,977.30 | 3,913.02 |
| IV. Expenses: | | | |
| Cost of materials consumed | 18 | 7,730.14 | 3,847.72 |
| Purchases of stock-in-trade | | - | - |
| Changes in inventories of finished goods, stock -in-process and stock-in-trade | 19 | (1,554.14) | - |
| Employee benefits expense | 20 | 84.95 | 14.67 |
| Finance costs | 22 | 48.69 | 8.51 |
| Depreciation and amortisation | 21 | 40.80 | 2.87 |
| Other expenses | 23 | 465.27 | 12.83 |
| Total expenses | | 6,815.70 | 3,886.60 |
| V. Profit before exceptional and extraordinary items and tax (III - IV) | | 161.60 | 26.42 |
| VI. Exceptional items | | - | - |
| VII. Profit before extraordinary items and tax (V - VI) | | 161.60 | 26.42 |
| VIII. Extraordinary items | | - | - |
| IX. Profit before tax (VII - VIII) | | 161.60 | 26.42 |
| X. Tax expense: | | | |
| (1) Current tax | | 26.48 | 6.55 |
| (2) earlier year Tax | | 0.77 | 0.46 |
| (3) Deferred tax Liabilities/(Assets) | | 14.19 | 0.16 |
| Profit for the Year (IX - X) | | 120.16 | 19.25 |
| XII. Earnings per equity share: | | | |
| (1) Basic | | 300,396.83 | 48,121.32 |
| (2) Diluted | | 300,396.83 | 48,121.32 |

The notes are an integral part of these Financial Statements

As per our review report of even date

For **D S P & Associates**

Chartered Accountants

ICAI Firm Registration No.: 06719N

Shdharth Gupta

Partner

Membership No. 541066

Place:

Date:

For and on behalf of the Board of Directors of
KCK Industries Limited

Jagdish Prasad Arya

Director

DIN: 06496549

Place:

Date:

Satyaveer Singh Dangi

Director

DIN: 09205556

Place:

Date:

KCK Industries Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(In Lacs)

| PARTICULARS | FOR THE YEAR ENDED 31.03.2022 (Rs.) | FOR THE YEAR ENDED 31.03.2021 (Rs.) |
|--|--|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax and extraordinary items | 161.60 | 26.42 |
| Adjustments for: | | |
| Depreciation | 40.80 | 2.87 |
| Misc Expenditure W/off | - | - |
| (Profit)/Loss on Sale of Fixed Assets | (43.60) | - |
| Interest Paid | 48.69 | 8.51 |
| Interest Income | 1.44 | - |
| Income Tax Previous Years Adjustment | - | - |
| Operating profit before working capital changes | 207.48 | 37.79 |
| Adjustments for: | | |
| Decrease/(-) Increase in trade and other receivables | 844.70 | 183.31 |
| Decrease/(-) Increase in inventories | (1,574.53) | 1,406.74 |
| Increase/(-) Decrease in trade payables | (152.23) | (638.61) |
| Increase/(-) Decrease in other current liabilities | 6.99 | (343.33) |
| Increase/(-) Decrease in Short Term Provisions | (25.06) | (29.87) |
| Decrease/(-) Increase in Other Current Assets | - | (33.06) |
| Decrease/(-) Increase in Short Term Loan & Advances | (336.11) | (21.61) |
| Cash generation from operation | (1,028.76) | 561.35 |
| Income Taxes paid | - | - |
| Net cash from/used in Operating Activities | (1,028.76) | 561.35 |
| B. CASH FLOW FROM/USED IN INVESTING ACTIVITIES | | |
| Purchase of fixed assets (including capital work in progress) | (922.61) | - |
| Sale of Fixed Assets | 43.60 | - |
| Interest Received | (1.44) | 1.27 |
| Increase (Decrease) in Long Term Advances | (15.70) | (409.39) |
| Net cash from/used in Investing Activities | (896.15) | (408.12) |
| C. CASH FLOW FROM/USED IN FINANCING ACTIVITIES | | |
| Repayment of Long Term Borrowings | | |
| Proceeds from term loans from banks and others (net) | (7.79) | 163.32 |
| Proceeds from working capital borrowings from banks | (1,265.18) | 26.22 |
| Interest paid | (48.69) | (8.51) |
| Net cash from/used Financing Activities | (1,321.65) | 181.03 |
| Net Increase in Cash and Cash Equivalents | (3,246.56) | 334.26 |
| Opening Cash and Cash Equivalents | 36.38 | 11.55 |
| Closing Cash and Cash Equivalents | 21.95 | 11.57 |

The notes are an integral part of these Financial Statements

Subject to our separate report of even date

For **D S P & Associates**

Chartered Accountants
ICAI Firm Registration No.: 06719N

Shdharth Gupta

Partner
Membership No. 541066

Place:

Date:

For and on behalf of the Board of Directors of
KCK Industries Limited

Jagdish Prasad Arya

Director
DIN: 06496549

raveer Singh Dangri

Director
DIN: 09205556

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

| 2. Share Capital | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|--|---|---|
| Authorized: 60,00,000 equity shares of Rs.10/- each | 600.00 | 600.00 |
| A. Issued, Subscribed and Fully Paid Up Shares: 40,00,000 equity shares of Rs.10 each fully paid up (Previous year 25,00,000) | 400.00 | 250.00 |
| Total Issued, Subscribed and Fully Paid Up Equity Share Capital | 400.00 | 250.00 |

shares outstanding at the beginning and

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|-------------------------|----------------------|-------------------------|----------------------|
| | No. | Amount (Rs. In Lacs) | No. | Amount (Rs. In Lacs) |
| At the beginning of the period | 40 | 400.00 | 25 | 250.00 |
| Issued During the Year | - | - | - | - |
| Bonus Shares | | | 15 | 150.00 |
| Outstanding at the end of period | 40 | 400.00 | 40 | 400.00 |

b. Terms/rights attached to equity shares

The company has issued one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. During the year ended March 31, 2021 the amount of dividend recognised as distributions to equity share holder's was NIL. The distribution will be in proportion to the number of equity share held by the equity shareholder.

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

c. List of shareholders holding more than 5% of Paid up Equity Share Capital

| Shareholder | As at March 31, 2022 | | As at March 31, 2021 | |
|---|-------------------------|--------|-------------------------|--------|
| | No of Shares | % | No of Shares | % |
| Sh Jagdish Prasad Arya | 10 | 24.50% | 10 | 24.50% |
| Mrs Reena Sharma | 11 | 28.52% | 11 | 28.52% |
| Sh.Naresh Pawariya & Sons HUF | 2 | 5.63% | 2 | 5.63% |
| Sh Shrikant Sharma | 2 | 4.02% | 2 | 4.02% |
| M/sSheorayan Engineers & Associates Pvt L | 6 | 16.06% | 6 | 16.06% |

| Shares held by promoters at the end of the year 31st March 2022 | | | |
|---|-------------------------|-------------------|--------------------------|
| Sr. No. | Promoter Name | % of total shares | % Change during the year |
| 1. | Sh. Jagdish Prasad Arya | 24.50% | 0.00% |
| 2 | Mrs Reena Sharma | 28.52% | |
| | Total | 53.02% | 0.00% |

| Shares held by promoters at the end of the year 31st March 2021 | | | |
|---|-------------------------|-------------------|--------------------------|
| Sr. No. | Promoter Name | % of total shares | % Change during the year |
| 1. | Sh. Jagdish Prasad Arya | 24.50% | 0.00% |
| 2 | Mrs Reena Sharma | 28.52% | |
| | Total | 53.02% | 0.00% |

For KCK Industries Ltd

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

0.00

3. Reserves and Surplus

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|--|---|---|
| Securities Premium Account | | |
| Balance as per last financial statements | - | 100.00 |
| Less: Bonus Share Issue | - | 100.00 |
| Closing balance | - | - |
| Surplus/(deficit) in the Statement of Profit and Loss | | |
| Balance as per last financial statements | 20.68 | 51.43 |
| Profit for the year | 120.16 | 19.25 |
| Less: Income Tax related to earlier Year | - | - |
| Less: Bonus Shares issue | - | 50.00 |
| Less: Provision for CSR Expendiure (FY 2019-20) | - | - |
| Appropriation | - | - |
| Net Surplus in the Statement of Profit and Loss | 140.84 | 20.68 |
| Total Reserves and Surplus | 140.84 | 20.68 |

4. Long-term Borrowings

| | Amount (Rs. In Lacs) | | | |
|--|--|------------------------------------|--|------------------------------------|
| | Non-current As at March 31, 2022 | Current As at March 31, 2022 | Non-current As at March 31, 2021 | Current As at March 31, 2021 |
| Term Loans (Secured) | | | | |
| Indian rupee loan from banks | - | - | - | - |
| Vehicle Loan from banks | 7.70 | 4.63 | 6.56 | 2.18 |
| Other loans and advances (Secured) | | | | |
| Deposits (Unsecured) | | | | |
| Inter Corporate deposit | - | - | - | - |
| From Directors, Shareholders & their relatives | 97.92 | - | 118.52 | - |
| From Others | 465.25 | - | 438.00 | - |
| | 570.87 | 4.63 | 563.08 | 2.18 |
| Amount disclosed under the head "Short term borrowing" (note 7) | - | (4.63) | - | (2.18) |
| Total | 570.87 | - | 563.08 | - |

Notes:

Primary Security

(a) Term Loan from Hinduja Leyland Finance Limited are secured by 1st pari-passu charge on the fixed assets,

Collateral Security

Corporate Guarantee

Personal Guarantees

For KCK Industries Ltd

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

Maturity Pattern of Term Loan (Including Interest)

| | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|------------------|---------|---------|---------|---------|
| As at 31.03.2022 | - | - | - | - |
| As at 31.03.2021 | - | - | - | - |

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
|------------------|---------|---------|---------|---------|
| As at 31.03.2022 | - | - | - | - |
| As at 31.03.2021 | - | - | - | - |

| | 2028-29 | 2029-30 | 2030-31 |
|------------------|---------|---------|---------|
| As at 31.03.2022 | - | - | - |
| As at 31.03.2021 | - | - | - |

(c) Loan against vehicle was taken in the year 2021-22 from NBFC/Bank and is secured by hypothecation of respective vehicle. The loan is repayable on monthly basis and carry interest rate as per their respective loan agreements till the year 2026-27.

Maturity Pattern of Vehicle Loan (Including Interest)

| | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|------------------|------------|------------|------------|------------|
| As at 31.03.2022 | 440,592.00 | 550,692.00 | 550,692.00 | 272,841.00 |
| As at 31.03.2021 | - | - | - | - |

| | 2025-26 | 2026-27 |
|------------------|---------|---------|
| As at 31.03.2022 | - | - |
| As at 31.03.2021 | - | - |

For KCK Industries Ltd

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

0.00

| 5. Deferred Tax Liability (net) | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|--|---|---|
| Deferred tax liability | | |
| Opening Balance | 0.16 | 0.16 |
| Impact of difference between Income Tax depreciation and depreciation/amortization charged for financial reporting | 14.35 | - |
| Expenses allowed u/s 43B of Income Tax Act, charged to Profit and Loss account in previous year | - | - |
| Gross deferred tax liability | <u>14.19</u> | <u>0.16</u> |
| Deferred tax asset | | |
| Expenses disallowed U/s 36(1) (va) of Income Tax Act 1961 | - | - |
| Gross Deferred tax asset | <u>-</u> | <u>-</u> |
| Net Deferred Tax Liability | <u>14.19</u> | <u>0.16</u> |

| 6. Provisions | Amount (in Lakhs) | | Amount (in Lakhs) | |
|--|--|------------------------------------|--|------------------------------------|
| | Non Current As at March 31, 2022 | Current As at March 31, 2022 | Non-current As at March 31, 2021 | Current As at March 31, 2021 |
| Provision for Employee Benefits | - | - | - | - |
| Total (A) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other Provisions | | | | |
| Provision for Income Tax | - | 31.62 | - | 6.55 |
| Provision for Audit Fee | - | - | - | - |
| Total (B) | <u>-</u> | <u>31.62</u> | <u>-</u> | <u>6.55</u> |
| Total (A+B) | <u>-</u> | <u>31.62</u> | <u>-</u> | <u>6.55</u> |

| 7. Short-term Borrowings | Amount (Rs. In Lacs) | | Amount (Rs. In Lacs) | |
|---|-------------------------|-----------------|-------------------------|-------------|
| | As at March 31, 2022 | | As at March 31, 2021 | |
| Secured | | | | |
| Working Capital Loans From Bank | | 1,262.73 | | - |
| Current maturities of long-term borrowings (note 4) | | 4.63 | | 2.18 |
| | | <u>1,267.35</u> | | <u>2.18</u> |

Notes:

Security

Scrip

Phy Qty

Collateral Securities

Corporate Guarantee

For KCK Industries Limited

Director

Director

KCK Industries Limited**Notes to Financial Statements for the Year ending 31st March 2022**0.00**8. Trade Payables**

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|--|---|---|
| Trade payables (including acceptances) | | |
| - Total outstanding dues of micro enterprises and small enterprises | - | - |
| - Total outstanding dues to other than micro enterprises and small enterprises | 1,899.28 | 2,051.50 |
| | 1,899.28 | 2,051.50 |

Trade Payables ageing schedule: As at 31st March,2022

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 772.80 | 1,050.18 | 51.64 | 24.66 | 1,899.28 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

Trade Payables ageing schedule: As at 31st March,2021

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 1,968.86 | 57.99 | 24.66 | - | 2,051.50 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

For KCK Industries Limited

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

0.00

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|-------------------------------------|---|---|
| 9. Other Current Liabilities | | |
| Advance from customers | 0.01 | 35.00 |
| Other Payables | (999,606.93) | (154,365.91) |
| Employee Related Expenses Payable | | |
| - Salary & Wages Payable | 953,617.00 | 154,380.00 |
| - Provident Fund Payable | - | - |
| - ESI/EPF Payable | 46,046.00 | - |
| Total | 56.07 | 49.09 |

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|--------------------------------------|---|---|
| 10. Non Current Investments | | |
| A. TRADE INVESTMNET AT (COST) | | |
| QUOTED | | |
| I. Quoted - Equity Shares | - | - |
| I. Unquoted - Equity Shares | 10.15 | 10.15 |
| | 10.15 | 10.15 |
| Market Price of Investment | - | - |

11. Loans and Advances

| | Non-current As at March 31, 2022 | Current As at March 31, 2022 | Non-current As at March 31, 2021 | Current As at March 31, 2021 |
|---|--|------------------------------------|--|------------------------------------|
| Capital advances | | | | |
| Unsecured considered good (A) | - | - | - | - |
| Advances recoverable in cash or kind | | | | |
| Balances with statutory Authorities | - | 138.34 | - | 93.54 |
| Income Tax Refundable (Mat Credit receivable) | - | - | - | - |
| Advance to Employees | - | - | - | - |
| Advance Payment of Tax,Advances to suppliers of goods and services | - | 265.76 | - | 36.20 |
| <u>Other Advances</u> | | | | |
| Unsecured, considered good | - | 121.95 | - | 50.06 |
| Prepaid Expenses | - | 1.30 | - | 11.44 |
| (B) | - | 527.35 | - | 191.23 |
| Total (A+B) | - | 527.35 | - | 191.23 |

For KCK Industries Limited

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

11(a). Other non-current assets

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|--|---|---|
| (i) Long Term Trade Receivable | | |
| Unsecured | | |
| Considered good | - | - |
| Considered doubtful | - | - |
| (ii) Security Deposit | 24.97 | 8.17 |
| (iii) Deferred Revenue Expenses upto the extent not written off | | |
| Opening Balance | 2.75 | 1.60 |
| Incurred during the year | - | 2.25 |
| Written off during the year | 1.10 | 1.10 |
| | <u>1.65</u> | <u>2.75</u> |
| Total (i + ii + iii) | <u>26.62</u> | <u>10.91</u> |

12. Inventories (valued at lower of cost and net realisable value)

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|----------------------------|---|---|
| (a) Raw Material | 310.97 | - |
| (b) Work in Progers | - | - |
| (c) Finished Goods | 1,554.14 | - |
| (e) Stock of Trading Goods | 38.16 | 385.70 |
| (f) Packing | 56.96 | - |
| | <u>1,960.23</u> | <u>385.70</u> |

For KCK Industries Limited

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

13. Trade receivables (considered good unless otherwise stated)

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|---|---|---|
| Receivables outstanding for a period exceeding six months from the due date of payment | | |
| Unsecured | | |
| Considered good | 94.88 | 1,503.86 |
| Considered doubtful | | |
| Less: classified under Other non-Current assets(Note No.11(a)) | - | - |
| (A) | 94.88 | 1,503.86 |
| Other receivables | | |
| Unsecured | | |
| Considered good | 564.28 | - |
| (B) | 564.28 | - |
| Total (A+B) | 659.16 | 1,503.86 |

Trade Receivables ageing schedule as at 31st March,2022

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|--|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables -considered good | 650.08 | 8.68 | 0.40 | - | 659.16 |
| (ii) Undisputed Trade receivables -considered doubtful | | | | | |
| (iii) Disputed trade receivables considered good | | | | | |
| (iv) Disputed trade receivables considered doubtful | | | | | |

Trade Receivables ageing schedule as at 31st March,2021

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|--|--|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables -considered good | 1,503.46 | - | 0.40 | - | 1,503.86 |
| (ii) Undisputed Trade receivables -considered doubtful | | | | | |
| (iii) Disputed trade receivables considered good | | | | | |
| (iv) Disputed trade receivables considered doubtful | | | | | |

For KCK Industries Limited

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

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14. Cash and Bank Balances

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|--|---|---|
| Cash and cash equivalents | | |
| On Deposit Accounts With Original maturity for more than 12 months | - | - |
| On Deposit Accounts With Original Maturity for less than 12 months | - | - |
| Cheque in Hand | - | - |
| Cash on hand | 4.74 | 16.99 |
| | 4.74 | 16.99 |
| Other bank balances | | |
| Balances with banks to the extent held as margin money | - | - |
| Axis Bank Ltd (PKL) | 16.20 | 11.89 |
| Axis Bank Ltd (Chd) | 1.01 | 1.03 |
| Central Bank Of India | - | - |
| HDFC Bank Ltd | - | 6.47 |
| | 17.21 | 19.39 |
| Total | 21.95 | 36.38 |

15. Other Current Assets

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|------------------|---|---|
| Other Receivable | - | - |
| | - | - |

16. Revenue from Operations:-

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|--|---|---|
| Sale of Products | | |
| Sales Trading Segment | 933.73 | 3,911.58 |
| Sales Manufacturing Segment | 5,998.53 | - |
| Sales Local | - | - |
| Other Operating Revenue | | |
| Income From Services | - | - |
| Others | - | - |
| Revenue from Operations (gross) | 6,932.26 | 3,911.58 |
| Less: Excise Duty | - | - |
| Less: Rebate & Discount | - | - |
| Revenue from Operations (net) | 6,932 | 3,911.58 |

For KCK Industries Limited

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

| 17. Other Income | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|---|--|--|
| Scrap sale | 43.60 | - |
| Other Misc. Income | 1.44 | 1.44 |
| | 45.04 | 1.44 |
| | | |
| 18. Cost of Raw Material Consumed | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
| Amount of opening Inventory | 385.70 | 73.70 |
| Purchases (net) | 7,693.57 | 4,159.71 |
| Total | 8,079.27 | 4,233.42 |
| Less inventory at the end of year | 349.13 | 385.70 |
| Cost of raw material consumed | 7,730.14 | 3,847.72 |
| | | |
| 19. (Increase)/Decrease in Inventories | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
| Inventories at the end of the year | | |
| Finished Goods | 1,554.14 | - |
| Work -In- Progress | - | - |
| | 1,554.14 | - |
| Inventories at the Beginning of the year | | |
| Finished Goods | - | - |
| Work -In- Progress | - | - |
| Scrap | - | - |
| | - | - |
| (Increase)/Decrease in Inventories | (1,554) | - |
| | | |
| 20. Employee Benefit Expense | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
| Salaries & wages | 83.87 | 14.55 |
| Contribution to PF & Other Funds | 0.57 | - |
| Directors' remuneration | - | - |
| Insurance For Employee | 0.15 | - |
| Staff Welfare Expenses | 0.36 | 0.12 |
| | 84.95 | 14.67 |

For KCK Industries Limited

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

| 21. Depreciation and Amortization Expense | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|---|---|---|
| Land | - | |
| Buildings | 6.78 | |
| Plant & Machinery | 28.24 | |
| Vehicles | 4.10 | 1.77 |
| Office Equipments | 0.25 | 0.00 |
| Computer | 0.01 | |
| D G Set | 0.20 | |
| Eicher Truck | 0.12 | |
| Total | 39.70 | 1.77 |
| Amortisation Charges | | |
| Deferred revenue Expenses | 1.10 | 1.10 |
| G.Total | | |
| | 40.80 | 2.87 |
| 22. Finance Cost | | |
| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
| <u>Interest</u> | | |
| Interest on Car Loan | 1.00 | 0.86 |
| Interest on Unsecured Loan | 31.01 | 7.55 |
| Interest Bank CC Loan | 10.43 | |
| Interest on WHR Loan | 3.82 | |
| Interest On Term Loan | | |
| <u>Other borrowing Cost</u> | | |
| Bank Charges | 2.19 | 0.09 |
| Processing Fee | 0.24 | |
| Exchange Rate Differences | | |
| | 48.69 | 8.51 |
| 23. Other expenses | | |
| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
| <u>(a) Manufacturing Expenses</u> | | |
| Store & Spares | - | - |
| Insurance Plant & Machinery | 0.92 | - |
| Power & fuel Charges | 140.21 | - |
| Licence Fees | 0.12 | - |
| Paddy Allotment fees | 0.69 | - |
| Polution Control Fees | 0.43 | - |
| Machinery Repair & Maintt. | 17.24 | - |
| | 159.62 | - |
| - Store & Spares | - | - |
| Total Manufacturing Expenses (a) | 159.62 | - |

For KCK Industries Limited

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

| | Amount (Rs. In Lacs) As at March 31, 2022 | Amount (Rs. In Lacs) As at March 31, 2021 |
|--|---|---|
| Administrative Expenses | | |
| Building Repair & Maintt. | - | - |
| Car Expenses | 2.46 | 0.41 |
| Conveyance Expenses | 0.15 | 0.11 |
| Diwali Expenses | 0.30 | 0.15 |
| Repair & Maintt. | - | 0.33 |
| Ex-Gratia | 0.15 | |
| EPF ADM /RDLI Fees | 0.07 | |
| Fees & Taxes | - | - |
| Factory Licence | 0.21 | |
| Business Guest Expenses | 0.05 | 0.10 |
| Business Promotion Expenses | 8.93 | |
| Insurance Charges | 0.24 | 0.20 |
| Insurance Of Stock | 1.18 | |
| Misc.Expenses | (0.00) | 0.00 |
| Postage & Telegram | 0.00 | - |
| Printing & Stationery | 0.17 | 0.11 |
| Legal & Professional Charges | 5.95 | 5.15 |
| Office Rent | 0.39 | 0.36 |
| Office Expenses | 0.15 | |
| Rate & Taxes | 18.53 | 0.04 |
| ROC Fees | 0.28 | 0.38 |
| Software Updation Expenses | 0.16 | |
| Telephone Expenses | 0.08 | 0.06 |
| Testing Charges | - | - |
| Travelling Expenses | 0.50 | 0.26 |
| Travelling Expenses (Director) | - | - |
| VAT reversed | - | - |
| Vehicle Repair & Maintt. | - | - |
| Web Site Expenses | 0.03 | |
| Total Admin. Exps | 39.97 | 7.66 |
| Payment to Auditors : | | |
| - Statutory Audit Fee | 1.15 | 0.15 |
| - Tax Audit Fee | - | - |
| - Other matters | - | - |
| Total Payment to Auditors | 1.15 | 0.15 |
| Total Administrative Expenses (b) | 41.12 | 7.81 |
| (c) Selling Expenses | | |
| Carrige Freight & Octroi Outwards | 79.00 | 0.02 |
| Godown Rent | 0.30 | - |
| Packing Material | 28.15 | - |
| Lab Expenses | 0.06 | 0.01 |
| Rebate & Discount | 157.02 | - |
| Sales Incentive | | 5.00 |
| Total Selling Expenses (c) | 264.53 | 5.03 |
| Total Other Expenses (a+b+c) | 465.27 | 12.83 |

For KCK Industries Limited

Director

Director

KCK Industries Limited

Notes to Financial Statements for the Year ending 31st March 2022

Note No. 24

| Ratio analysis | For the year ended as on 31st March, 2022 | For the year ended as on 31st March, 2021 | Difference in % | Comments |
|------------------------------------|---|---|-----------------|----------|
| 1 Current Ratio | 0.97 | 1.00 | -2.99% | |
| 2 Debt Equity Ratio | 3.40 | 1.34 | 152.95% | |
| 3 Debt Service Coverage Ratio | 0.00 | #DIV/0! | #DIV/0! | |
| 4 Return on Equity Ratio | 0.25 | 0.06 | 336.36% | |
| 5 Inventory Turnover Ratio | 5.27 | 16.75 | -68.57% | |
| 6 Trade Receivables Turnover Ratio | 6.41 | 2.34 | 173.87% | |
| 7 Trade Payables Turnover Ratio | 3.89 | 2.20 | 77.28% | |
| 8 Net Capital Turnover Ratio | -80.95 | 498.52 | -116.24% | |
| 9 Net Profit Ratio | 0.02 | 0.00 | 252.24% | |
| 10 Return on Capital employed | 0.19 | 0.04 | 426.09% | |
| 11 Return on Investment | | | #DIV/0! | |

For KCK Industries Limited

Director

Director

KCK INDUSTRIES LTD

CHANDIGARH (INDIA)

Ageing Payables

Account Group : Sundry Creditors

Account Status as on : 31-3-2022

| <u>Party Details</u> | <u>Closing Amt</u> | <u>(0-365) Days</u> | <u>(366 - 730) Days</u> | <u>(731 - 1095) Days</u> | <u>(>= 1096) Days</u> |
|--------------------------------------|--------------------|---------------------|---------------------------|----------------------------|---------------------------|
| AD SALES CORPORATION CHD | 2892930.00 | | | 2892930.00 | |
| AMIT TRADERS | 2270616.00 | | | 2270616.00 | |
| Arham Enterprises | 2200000.00 | 2200000.00 | | | |
| CHIRAWA ENNTERPRISES | 74349.00 | 74349.00 | | | |
| CHANDIGARH COLOUR INC | 1593755.00 | 1593755.00 | | | |
| HAWA SINGH & SONS HUF | 33398.00 | 33398.00 | | | |
| KARAM PAAN DASK LLP. | 4502734.00 | 4502734.00 | | | |
| KHICHAR TRANSPORT CO | 165171.00 | 165171.00 | | | |
| KOTHARI CHEMICALS INC | 2465610.00 | | | | 2465610.00 |
| National Securities Depository Ltd | 5310.00 | 5310.00 | | | |
| ORID SHANGHAI COLOURS PVT. LTD. | 45022.00 | | 45022.00 | | |
| PAN ORGANIC INDUSTRIES | 668892.00 | 668892.00 | | | |
| PAWARIYA GOODS CARRIER | 53245.00 | 53245.00 | | | |
| PAWARIYA HUSK TRADING CO. | 315106.00 | 315106.00 | | | |
| Quadrant Televentures Ltd | 133.02 | 133.02 | | | |
| RAMJI LAL & SONS HUF | 982259.50 | 982259.50 | | | |
| RAM SINGH & SONS HUF | 124784.00 | 124784.00 | | | |
| T.C. TERRYTEX LTD | 127050470.74 | 22076999.00 | 104973471.74 | | |
| VIKRAM SINGH & SONS HUF | 2224055.40 | 2224055.40 | | | |
| VIRENDRA KUMAR & SONS HUF | 459167.00 | 459167.00 | | | |
| Aggarwal Agencies | 1981.00 | 1981.00 | | | |
| Aryan Agro Tech | 401303.50 | 401303.50 | | | |
| Balaji Transport Co. | 36674.00 | 36674.00 | | | |
| Baru Mal Chanan Ram | 527440.00 | 527440.00 | | | |
| Bharat Machinery Store | 157180.92 | 157180.92 | | | |
| Bhoop Singh Radhey Shyam | 26075.58 | 26075.58 | | | |
| Bihari Ji Trading Co. | 1885428.62 | 1885428.62 | | | |
| Buhler India Pvt Ltd | 4284.70 | 4284.70 | | | |
| Globe Electricals | 5696.00 | 5696.00 | | | |
| Govinda Trading Company | 67284.00 | 67284.00 | | | |
| Goyal Electric Company | 27322.00 | 27322.00 | | | |
| Gulshan Rai & Company | 592153.17 | 592153.17 | | | |
| Hindustan Agro Industries (Unit -I) | 38869.00 | 38869.00 | | | |
| H K Brothers | 405315.00 | 405315.00 | | | |
| Jagdamba Enterprises | 64844.00 | 64844.00 | | | |
| Jahid/Tahir Contractor | 183030.00 | 183030.00 | | | |
| Khokhar Trading Company | 502117.45 | 502117.45 | | | |
| Krishana Trading Company | 6506.74 | 6506.74 | | | |
| Maa Santoshi Enterprises | 357829.00 | 357829.00 | | | |
| M.L.INTERNATIONAL POLYMERS PVT LTD | 547611.30 | 547611.30 | | | |
| Moti Transport Company | 76278.00 | 76278.00 | | | |
| Naresh Enterprises Patran | 437292.00 | 437292.00 | | | |
| Naresh Kumar & Sons | 12621.22 | 12621.22 | | | |
| N L Phutela & Sons | 3700299.32 | 3700299.32 | | | |
| Panna Lal & Sons | 45794.37 | 45794.37 | | | |
| Pungrain | 2688.00 | 2688.00 | | | |
| Rattan Lal & Sons | 936182.50 | 936182.50 | | | |
| Shashi Singla | 11484.00 | 11484.00 | | | |
| Shiva Screen Printers | 9064.00 | 9064.00 | | | |
| Shree Girraj Ji Traders | 11352.06 | 11352.06 | | | |
| Shree Waheguru Traders | 30534881.90 | 30534881.90 | | | |
| Speed Roadways Pvt. Ltd. | 27540.00 | 27540.00 | | | |
| Tarsem Traders | 23429.02 | 23429.02 | | | |
| The Bhaichara Truck Union | 114946.00 | 114946.00 | | | |
| The Janta Truck Operator Association | 17958.00 | 17958.00 | | | |
| Totals | 1899.28 | 772.80 | 1050.18 | 51.64 | 24.66 In Lacs |

KCK INDUSTRIES LTD

CHANDIGARH (INDIA)

Ageing Payables

Account Group : Sundry Creditors

Account Status as on : 31-3-2021

| Party Details | Closing Amt | (0-365) Days | (366 - 730) Days | (731 - 1095) Days | (>= 1096) Days |
|------------------------------------|----------------|----------------|-------------------|---------------------|-----------------|
| ACS CHEMICAL INNOVATIONS | 49796.00 | 49796.00 | | | |
| AD SALES CORPORATION CHD | 3527930.00 | | 3527930.00 | | |
| AMIT TRADERS | 2270616.00 | | 2270616.00 | | |
| Bombay Gujrat Roadlines Pvt Ltd | 526.00 | 526.00 | | | |
| CHIRAWA ENNTERPRISES | 824648.00 | 824648.00 | | | |
| HAWA SINGH & SONS HUF | 80509.00 | 80509.00 | | | |
| Ishan Graphics | 2076.00 | 2076.00 | | | |
| Karan Singh & Sons Huf | 34295.00 | 34295.00 | | | |
| KOTHARI CHEMICALS INC | 2465610.00 | | | 2465610.00 | |
| KHICHAR TRANSPORT CO | 65171.00 | 65171.00 | | | |
| ORID SHANGHAI COLOURS PVT. LTD. | 45022.00 | 45022.00 | | | |
| PAN ORGANIC INDUSTRIES | 1946594.00 | 1946594.00 | | | |
| PAWARIYA GOODS CARRIER | 253245.00 | 253245.00 | | | |
| PAWARIYA HUSK TRADING CO. | 808910.00 | 808910.00 | | | |
| RAMJI LAL & SONS HUF | 594366.50 | 594366.50 | | | |
| RAM SINGH & SONS HUF | 127008.00 | 127008.00 | | | |
| RAM SINGH PAWARIYA | 41039.00 | 41039.00 | | | |
| T.C. TERRYTEX LTD | 190670550.74 | 190670550.74 | | | |
| VIKRAM SINGH & SONS HUF | 809517.40 | 809517.40 | | | |
| VIRENDRA KUMAR & SONS HUF | 125082.00 | 125082.00 | | | |
| BHARAT MACHINERY STORE | 69801.00 | 69801.00 | | | |
| JAGDAMBA ENTERPRISES | 70800.00 | 70800.00 | | | |
| JAGDAMBAY MACHINERY STORE | 21712.00 | 21712.00 | | | |
| MASS TECH INDIA LTD | 51920.00 | 51920.00 | | | |
| M.L.INTERNATIONAL POLYMERS PVT LTD | 141022.00 | 141022.00 | | | |
| PAN CHEMICALS INC | 8390.00 | 8390.00 | | | |
| P.D.JAYAN & CO. | 27185.20 | 27185.20 | | | |
| SHSHI SINGLA | 11484.00 | 11484.00 | | | |
| SUPREME ENTERPRISES | 5501.00 | 5501.00 | | | |
| Totals | 2051.50 | 1968.86 | 57.99 | 24.66 | 0.00 |

In Lacs

KCK INDUSTRIES LTD.

CHANDIGARH (INDIA)

Ageing Receivables

All Accounts

Account Status as on : 31-3-2022

| Party Details | Closing Amt | (0 - 365) Days | (366 - 730) Days | (731 - 1095) Days | (>= 1096) Days |
|----------------------------|---------------|------------------|--------------------|---------------------|------------------|
| CHD CHEMICALS LTD | 25851861.00 | 25851861.00 | | | |
| MAHADEV PROCESSORS | 40120.00 | | | 40120.00 | |
| Pan Chemicals Inc | 867551.00 | | 867551.00 | | |
| SEL MANUFACTURING CO.LTD | 2874451.08 | 2874451.08 | | | |
| TC TERRYTEX LTD | 13874700.00 | 13874700.00 | | | |
| HARISH KUMAR PARVESH KUMAR | 15711712.00 | 15711712.00 | | | |
| JINDAL INDUSTRIES | 3424710.00 | 3424710.00 | | | |
| JRM FOODS PVT LTD | 2170994.00 | 2170994.00 | | | |
| MAHAVIR BROKER KAITHAL | 45429.00 | 45429.00 | | | |
| SKBR EXPORT PVT LTD | 1054612.95 | 1054612.95 | | | |
| Totals | 659.16 | 650.08 | 8.68 | 0.40 | 0.00 |

In Lacs

KCK INDUSTRIES LTD.

CHANDIGARH (INDIA)

Ageing Receivables

Account Group : Sundry Debtors

Account Status as on : 31-3-2021

| Party Details | Closing Amt | (0 - 365) Days | (366 - 730) Days | (731 - 1095) Days | (>= 1096) Days |
|---|----------------|------------------|--------------------|---------------------|------------------|
| ASISH LIVING PVT LTD | 1500000.00 | 1500000.00 | | | |
| CHANDIGARH COLOUR INC | 2109916.00 | 2109916.00 | | | |
| CHD CHEMICALS LTD | 141275928.00 | 141275928.00 | | | |
| DK SALES CORPORATION | 631300.00 | 631300.00 | | | |
| PAN CHEMICALS INC | 1500588.00 | 1500588.00 | | | |
| MAHADEV PROCESSORS | 40120.00 | | | 40120.00 | |
| SEL MANUFACTURING CO.LTD | 340520.00 | 340520.00 | | | |
| WINSOME TEXTILE INDUSTRIES LTD | 2935678.00 | 2935678.00 | | | |
| WINSOME TEXTILE INDUSTRIES LTD (UNIT-III) | 51959.00 | 51959.00 | | | |
| Totals | 1503.86 | 1503.46 | 0.00 | 0.40 | 0.00 |

In Lacs

KCK Industries Limited

Notes to Financial Statements for the year ended on March 31, 2022

The following table provides the total amount of transactions that have been entered into with related parties during the year:

| Particulars | 31st March 2022 | | | 31st March 2021 | | |
|--|--|--------------------------|---------------------------------------|--|--------------------------|---------------------------------------|
| | Enterprises in which Key managerial personnel have significant influence | Key managerial Personnel | Relatives of Key Managerial personnel | Enterprises in which Key managerial personnel have significant influence | Key managerial Personnel | Relatives of Key Managerial personnel |
| DIRECTOR REMUNERATION PAID | | | | | | |
| NARESH KUMAR PAWARIYA | | 280,000.00 | | | - | |
| KARTIK BHATIA | | 117,097.00 | | | - | |
| SATYAVEER SINGH DANGI | | 120,000.00 | | | - | |
| HARSIMRAN JIT KAUR | | 80,000.00 | | | - | |
| KAMAL KUMAR SHAH | | 174,000.00 | | | - | |
| | | | | | | |
| | | | | | | |
| LOAN RECEIVED | | | | | | |
| JAGDISH PRASAD ARYA | | 1,300,000.00 | | | 71,25,000 | |
| REENA SHARMA | | 1,200,000.00 | | | 1,08,60,000 | |
| | | | | | | |
| LOAN REPAYMENT | - | | | | | |
| JAGDISH PRASAD ARYA | | 1,500,000.00 | | | - | |
| REENA SHARMA | | 1,560,000.00 | | | - | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| SHARE ALLOTMENT | | | | | | |
| JAGDISH PRASAD ARYA | | - | | | 12,00,000 | |
| REENA SHARMA | | - | | | 15,00,000 | |
| Sheorayan Engineers & Associates Private Ltd | | | - | | | 1,20,00,000 |

KCK Industries Limited
Fixed Assets as at 31.03.2022

Note No. 21

(Rs in Lakhs)

| Particulars | Gross carrying amount | | | | Depreciation | | | | Net carrying amount | |
|--------------------------|-----------------------|---------------------------------|--------------------------------|---------------------|--|------------------------------|-------------------------------------|--|---------------------|---------------------|
| | As at 01.04.2021 | Additions during the year | Sales/ other adjustments | As at 31.03.2022 | Opening accumulated depreciation | Depreciation for the year | Deductions/ other adjustments | Closing accumulated depreciation | As at 31.03.2022 | As at 31.03.2021 |
| Tangible Assets | | | | | | | | | | |
| Land | | 218.50 | | 218.50 | | | | | 218.50 | |
| Land At Chirawa | 17.07 | - | - | 17.07 | - | - | | - | 17.07 | 17.07 |
| Plot At Pabhat | 46.18 | | | 46.18 | | | | | 46.18 | 46.18 |
| Building | | 214.00 | - | 214.00 | | 6.78 | | 6.78 | 207.22 | |
| Plant & Machinery | | 445.92 | - | 445.92 | | 28.24 | | 28.24 | 417.67 | |
| Vehicles | 14.87 | 30.31 | - | 45.19 | 2.63 | 4.10 | | 6.73 | 38.46 | 12.25 |
| Office Equipments | 1.10 | 0.93 | - | 2.03 | 0.00 | 0.25 | | 0.25 | 1.78 | 1.10 |
| Computer | | 1.75 | | 1.75 | | 0.01 | | 0.01 | 1.74 | |
| D G Set | | 7.20 | | 7.20 | | 0.20 | | 0.20 | 7.00 | |
| Eicher Truck | | 4.00 | | 4.00 | | 0.12 | | 0.12 | 3.88 | |
| Furniture & Fixtures | | - | - | - | | | | - | - | |
| Total | 79.23 | 922.61 | - | 1,001.84 | 2.63 | 39.70 | - | 42.33 | 959.51 | 76.60 |
| PREVIOUS YEAR FIGURES | | | - | - | | | - | | | |
| Capital Work in Progress | 878.42 | 215.42 | 878.42 | 215.42 | - | - | - | - | 215.42 | 878.42 |
| Grand Total | 957.64 | 1,138.03 | 878.42 | 1,217.26 | 2.63 | 39.70 | - | 42.33 | 1,174.93 | 955.01 |

NOTE 1 - SIGNIFICANT OF ACCOUNTING POLICIES

a) Basis for preparation of financial statements

The financial statements are prepared ongoing concerns assumption under the historical cost conventions on accrual basis in accordance with generally accepted accounting principles ('GAAP') and Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rule, 2014 (as amended) & other requirement of Companies Act, 2013.

b) Revenue Recognition

- Sales are accounted for on basis of dispatch of goods from factory to the customer and are exclusive of GST.
- Rental income (if any) is accounted for on accrual basis as and when recognized.
- The Export incentives arising out of Export Sales under Various Scheme are accounted on accrual basis during the year.
- Scrap Income/Other Income are accounted for on basis of dispatch of Scrap from factory to the customer/other income as accrued and are exclusive of GST.

c) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme as applicable. The Company's contribution is recognized as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

Defined Benefits Plans

The Company extends the benefit of gratuity to its employees in service at the time of retirement. Leave encashment is provided on the basis of leave entitled to Workers remaining unutilized at the end of year.

d) Expenses Recognition

Expenses are accounted on accrual basis and provision is made for all known losses and liabilities except ROC Fees.

e) Fixed Assets

Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

f) Depreciation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

g) Inventories

Spares and stores are valued at cost. Other inventories are valued at lower of cost or net realizable value. The Basis of determination of cost for different categories of inventories is as follows:

| | |
|------------------|---|
| Packing Material | At cost. |
| Trading Goods | At Cost. |
| Finished Goods | At Cost or Net Realizable value whichever is lower. |
| Work in Progress | The Cost includes- Material Cost, Labour and appropriate share of Manufacturing and other costs incurred in bringing the inventories to the present location and condition. |

h) GST

➤ GST liability on finished goods is accounted for, as and when goods are cleared from the factory.

i) Contingencies and Event Occurring after the Balance Sheet Date

There are no contingencies and events after the Balance Sheet date that affects the financial position of company.

j) Net profit or loss for the period, prior period items and changes in accounting policies.

During the year under review, there are no material changes in the accounting policies.

k) Earning per Share

In determining Earning per Share, the company considers the net profit after tax and includes the post-tax effect of any extra ordinary items. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the year.

l) Impairment of Assets

At each balance sheet date, the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable

amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Profit and Loss Account to the extent the carrying amount exceeds the recoverable amount.

m) Borrowing Costs

Borrowing costs attributable to acquisition and construction of qualifying asset are capitalized till the date the asset is put to use, and all other borrowing costs are charged to Profit and Loss Account.

n) Treatment of Expenditure during Construction Period:

Expenditure during construction period is included under capital work-in-progress and the same is allocated to the respective fixed assets on the completion of construction.

o) Operating Leases:

Leases, where risk and reward of ownership are significantly retained by the Lessor, are classified as operating leases, and lease rentals thereon are charged to the Statement of Profit and Loss equally over the period of the lease.

p) Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle for the purpose of current–non-current classification of assets and liabilities.

q) Taxation

Current Tax:

Tax on income for the year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the income tax Act, 1961 and based on expected outcome of assessments / appeals.

Note 24 - NOTES ON ACCOUNTS

a) Long Term Borrowings

Secured Loans:-

Term Loans

There is no Term Loans have been taken by the company.

Unsecured Loans

Unsecured Loans from Directors & Shareholders bear a maximum fixed rate of Interest @ 12 % pa and are re-payable beyond 2017-18. The company at its discretion may or may not provide interest to any category of unsecured deposits.

Working Capital Loans

Cash Credit Facility & Packing Credit Facility from Bank is secured by equitable mortgage of

KCK INDUSTRIES LIMITED
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Immovable Properties & First Charge on all present & Future current assets of the company along with fixed assets and personally guaranteed by Directors.

- b) None of the employees of the Company was in receipts of a remuneration exceeding Rs.60,00,000/- per annum or Rs. 5,00,000/- per month, if employed for the part of the year.
- c) **Contingent Liabilities:** No contingent liabilities as on date of signing of financials were noted.

d) **Payment made to Auditors**

| YEAR | 2021-22 | 2020-21 |
|--------------|------------------|-----------------|
| AUDIT FEES | 115000.00 | 15,000.00 |
| GST | 20700.00 | 2700.00 |
| TOTAL | 135700.00 | 17700.00 |

- e) The confirmations in respect of sundry debtors, creditors and loans and advances are not called for. Necessary adjustments, if any will be made on settlement of accounts.
- f) In the absence of any intimation from vendors regarding the status of their registration under "Micro, small and medium Enterprises Development Act, 2006", the company is unable to comply with the disclosure required to be made under the said Act.
- g) In the opinion of the Board, Current Assets, Loans and Advances have been valued at least equal to amount stated in the balance sheet in the ordinary course of business.
- h) **Related Party Disclosures as per Accounting Standard-18:**

(i) List of Related Parties and Relationships, where control exists:

KMP

| Description | Name of Related Parties |
|----------------------|--|
| Director | JAGDISH PRASAD ARYA |
| Director | REENA SHARMA |
| CFO | NARESH KUMAR PAWARIYA RESIGNED ON 10.01.2022 |
| Independent Director | PAWAN KUMAR JOSHI |
| Independent Director | BANISH MEHTA |
| Managing Director | SATYAVEER SINGH DANGI |
| Company Secretary | KARTIK BHATIA RESIGNED ON 10.01.2022 |
| Company Secretary | HARSIMRAN JIT KAUR APPOINTED ON 28.01.2022 |
| CFO | KAMAL KUMAR SHAH APPOINTED ON 28.01.2022 |

GROUP COMPANY

| Description | Name of Related Parties |
|------------------------|--|
| Promoter Group Company | Sheorayan Engineers & Associates Private Ltd |

KCK INDUSTRIES LIMITED
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

(ii) Transaction with Related Parties :

| | 2021-22 | 2020-21 |
|--|----------|-------------|
| DIRECTOR REMUNERATION PAID | | |
| NARESH KUMAR PAWARIYA | 2,80,000 | |
| KARTIK BHATIA | 1,17,097 | |
| SATYAVEER SINGH DANGI | 1,20,000 | |
| HARSIMRAN JIT KAUR | 80,000 | |
| KAMAL KUMAR SHAH | 1,74,000 | |
| LOAN RECEIVED | | |
| JAGDISH PRASAD ARYA | 1300000 | 71,25,000 |
| REENA SHARMA | 1200000 | 1,08,60,000 |
| LOAN REPAYMENT | | |
| JAGDISH PRASAD ARYA | 1500000 | |
| REENA SHARMA | 1560000 | |
| SHARE ALLOTMENT | | |
| JAGDISH PRASAD ARYA | - | 12,00,000 |
| REENA SHARMA | - | 15,00,000 |
| Sheorayan Engineers & Associates Private Ltd | | 1,20,00,000 |

i) Previous year figures are regrouped/rearranged/reclassified wherever considered necessary to make current year figures more comparable.

For D S P & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO. 006791N

FOR KCK INDUSTRIES LIMITED

SIDHARTH GUPTA
PARTNER
M No: 541066
Place: Ludhiana
Date: 03.09.2022

JAGDISH PRASAD ARYA
DIRECTOR
DIN :06496549

SATYAVEER SINGH DANGI
DIRECTOR
DIN : 09205556

KAMAL KUMAR SHAH
CFO

HARSIMRAN JIT KAUR
COMPANY SECRETARY