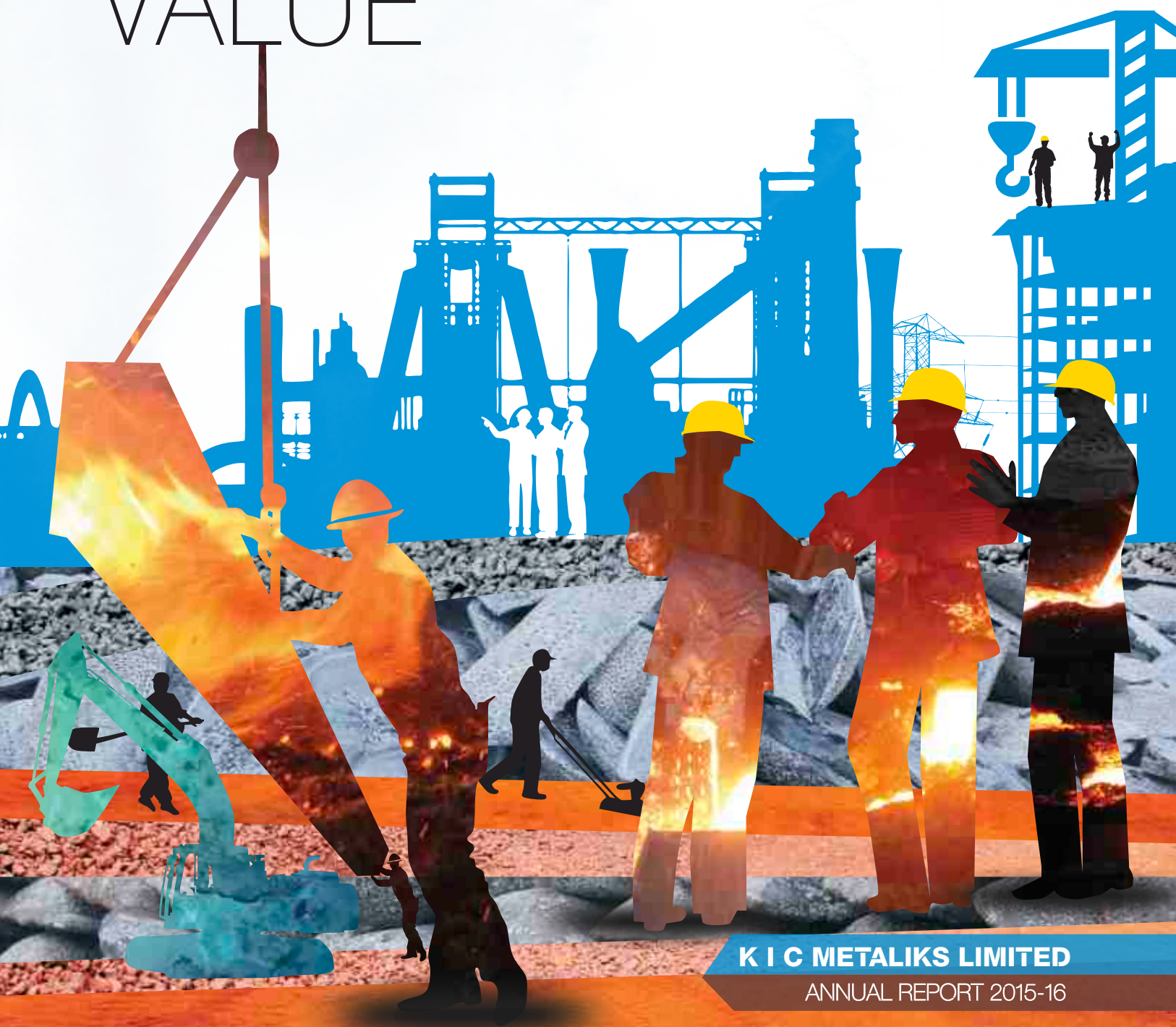


# STRENGTH DISCIPLINE VALUE



Domestic pig iron industry slowing down and downstream iron & steel sector encountering immense difficulties?

### **KIC Metaliks Limited focused on strengthening its efficiencies.**

The result was a year of stable revenue on one hand and strengthening of the cash efficiencies by the Company through debt reduction on the other.

This counter-cyclical performance proves our commitment in just three words.



**Strength**



**Discipline**



**Value**

This truly lies in the  
**DNA of K I C Metaliks Limited.**

## **Navigating Inside the Page**

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## AT K I C METALIKS LIMITED

WE HAVE ALWAYS CHALLENGED THE CHALLENGING ONES AND CONSTANTLY EVOLVED AS AN ORGANISATION THROUGH OUR VISION TOWARDS A COMMON GOAL AND STRONG CONVICTION TO ACHIEVE IT.

For the time being we believe that economies and businesses across the globe will be uncertain, although this may vary from region to region due to contrasting pattern of growth across geographies. Therefore, our focus is to build strong capabilities, meet quality aspirations of the client, manage costs and adapt to the challenging environment. Our sustainability approach touches upon all these aspects and more, like the need to reduce environmental footprint and evolve greener strategies for growth.



# Strength of a holistic infrastructure and proven experience

In an unpredictably volatile world, the first priority is to strengthen one's resolve.


At K I C Metaliks Limited, we had always been determined of growing our business even at times of moderating demand and tough economic conditions.

In a challenging 2015-16 even as demand from downstream users remained volatile, cheaper imports squeezed the margins of many, we at K I C Metaliks countered the prevailing reality through various initiatives.

- Our integrated business model, through the sinter plant (backward) and captive power (forward) helped us to achieve economies of scale thereby de-risking the business model and reducing our overall production cost.
- In the volume-driven segment of the iron & steel industry, strength comes through scale which gives companies pricing power. But with moderating demand, a number of industry observers suggested that it would be best to reduce production.
- But we did the opposite. On the back of the upgraded MBF plant, we focused on forging new customer relationships, establish newer markets and increase the wallet share of existing clients.
- In a tough business situation, when margin becomes erratic, we instead focus on the quality derivative. While our products are considered to be commodities marked with a shortage of high-quality material in the scale that leading customers demand. The result is that instead of the conventional undercutting approach to win large orders, we enhanced customer value through product quality and supply-based security.







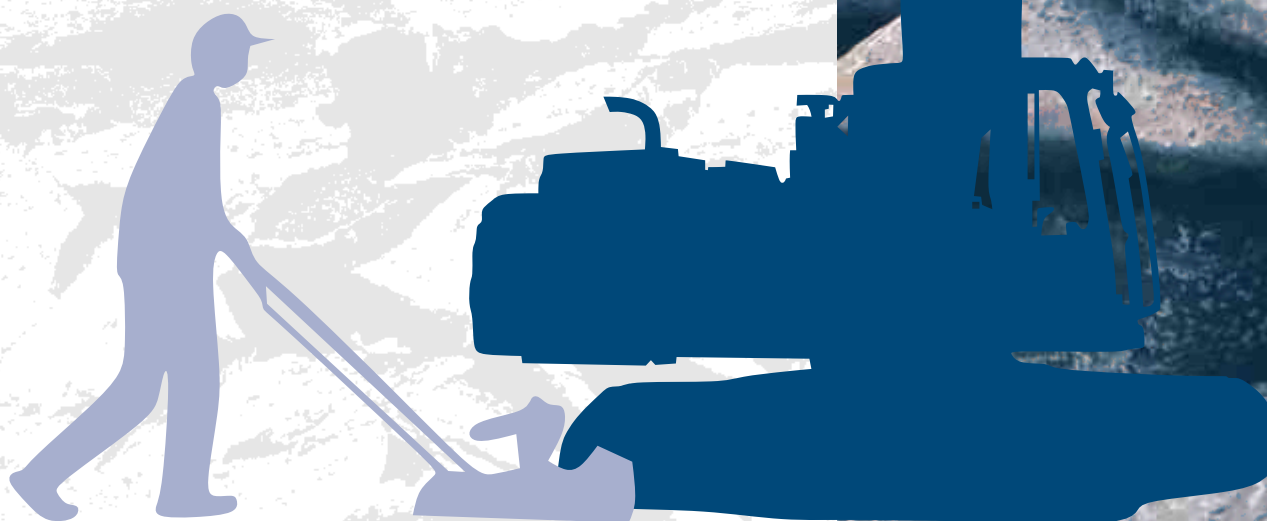
Despite tough market conditions, the Company maintained realization during the year under review. The result was that even as the global steel sector saw a downward trend our Company produced 128,358 MT of Hot Metal registering an increase of 4.37% in comparison to previous year.



# Discipline

**through efficient  
cost management  
structure**

One of the basic difficulties  
during slowdown  
is maintaining liquidity.







At K I C Metaliks Limited, we took a differentiated approach by strengthening our relationships with every stakeholder - financial community, debtors and creditors. This allowed us to respond strongly even during the times of severe liquid crunch.

- During 2015-16, we changed our conventional approach of quantum savings. Instead, we focussed on maximising returns via cost optimisation. We reinforced our banking relations with our key bankers.
- We sweat our capacities to maximise returns and ensured on-time availability of the products to our clients. We strengthened our receivables managed and ensured timely payments to our creditors.
- We strategically negotiated with our vendors for longer credit cycles to ensure cash cushion during distress times. This ensured longer creditor cycle, thus giving us enough headroom to manage payments.



As a result of our prudent cash management discipline, we strengthened our resolve and addressed the adverse market conditions with agility.

# Value through togetherness

In a cyclical business, the utmost priority of sustainability lies on the true ambassadors of the business and its social togetherness.

At K I C Metaliks, it is a reference to the fact that we have enriched our stakeholders in an attractive way through the length of our existence. We are geared towards accomplishing sustainable development objectives for the upliftment of society.



**Human Resource:** In a business where intellectual capital represents the difference between the successful and the average, it is imperative to invest in knowledge, capability and experience for ensuring sustainable success. Employee training is a continuous priority to build skill sets to meet technological needs of our business. With proper succession planning, adequate managerial bandwidth is available to drive corporate goals, with responsibilities and authorities shared appropriately. During 2015-16, our regular employee strength stood at 258.



**Industrial goals:** Industrial relations across the Company were cordial. This was the result of the management's and employees' efforts to adopt a work culture which adapts itself with the changing scenario. We continued to emphasise transparency and innovation, which provided a stimulus to the organisation.



These efforts results in the building of brand “K I C” through a cohesive team of employees with a penchant for collaboration and an awareness with the community in large.







**Social Responsibility:** At K I C Metaliks, corporate social responsibility (CSR) represents an integral part of the business that extends beyond statutory obligations. Our efforts are primarily mediated towards improving the quality of life of the people and outreaching the society through meticulously planned community development programmes.

- Our pursuit towards safe health & hygiene at working places, has promoted us to place carbon monoxide detectors at various parts of the plant. Workers are also provided with self breathing apparatus in case of emergencies. A dedicated health care dispensary with qualified doctors is also operated at the plant premises. Cold water drinking machines and a dedicated canteen which supplies food at affordable rates have also been installed inside the plant premises.
- We always believe that green environment will always make us live longer. With that, our Company conducts tree plantation drives during the World Environment Day.
- Outreaching the community is the utmost priority of our Company. We distribute clothes at regular intervals in the surrounding villages and various orphanages, donate stationery at various schools and distribute lunch at various orphanages near our surroundings.



# Meet K I C!

A Company **more than just a Pig Iron manufacturer.**

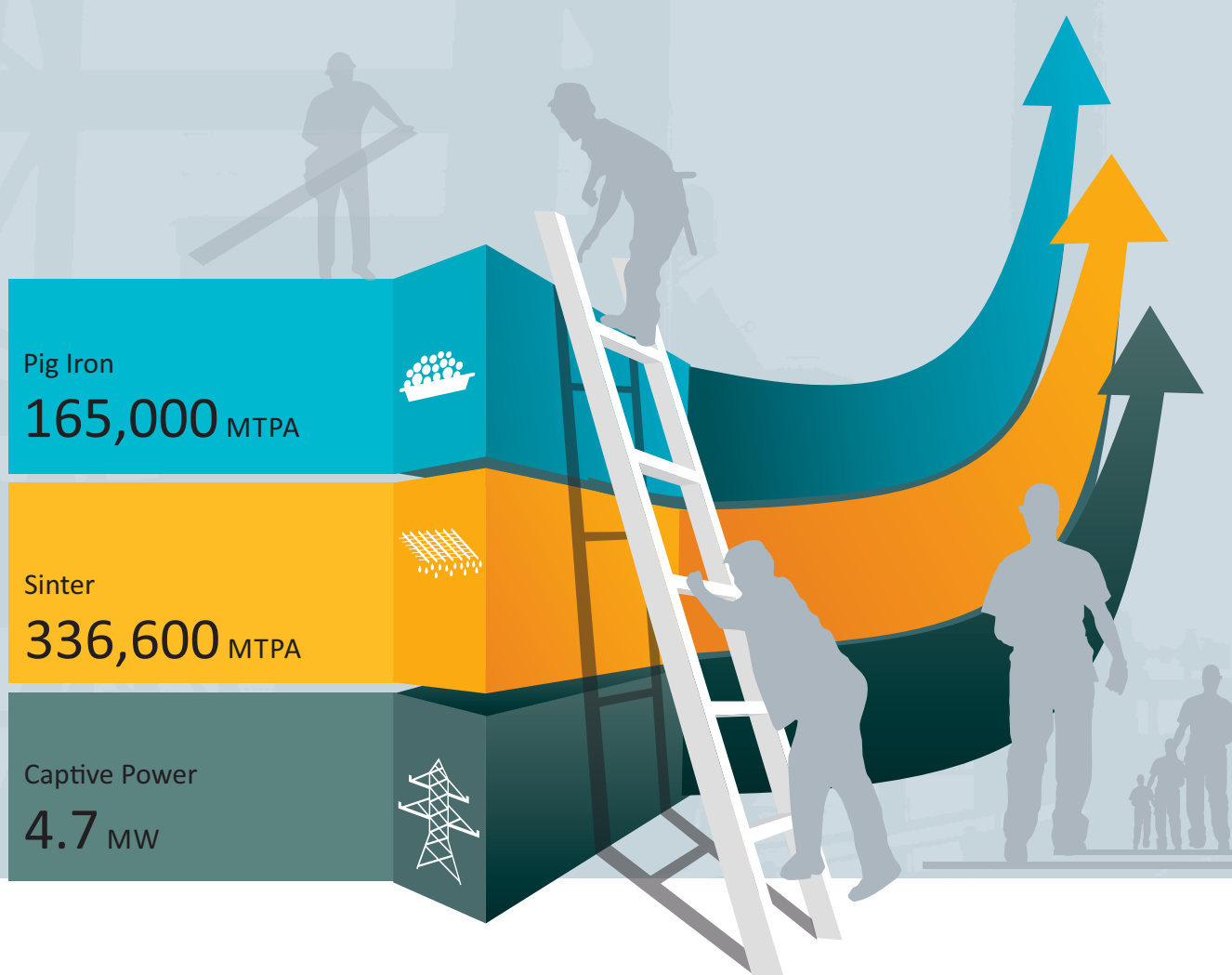
The Company is one of the most attractive proxies in the Indian iron & steel industry.

Respected for its ability to manufacture foundry grade & basic grade pig iron and portland slag cement.

A one-stop shop with customised quality products through rich technology and a dedicated customer base built on years of relationship.

K I C Metaliks Limited, acquired by Karni Syntex Private Limited, is led by Shri Radhey Shyam Jalan. The Company's operation is location in the steel town of Durgapur, West Bengal and the Corporate Office of the Company is situated at Kolkata, West Bengal. The Company manufactures pig iron and slag cement.

The products of Company are widely accepted across major Foundry and Iron & Steel manufacturing companies for its quality. The shares of Company are actively traded at the platform of BSE Limited.







## Readers chit-chat

**Celebrating 25 years of delighting customers, prospering with shareholders and enriching employees.** This annual report truly depicts a true K I C, and its achievements throughout the years since its inception. Its zeal of rising to higher levels and achieve success in terms of value addition through integration is highly laudable. The cover and inner pages co-relates about this and the initiatives taken by the Company to achieve growth. I am proud to be a long-term shareholder with your Company.  
**Satya Narayan Pal**

**From vision to reality.** One of the most appealing annual reports from the house of K I C Metaliks Limited. As a long-term investor I am very happy to acknowledge that despite adverse market scenarios, K I C successfully moved ahead, completed its integration process and even increased the hot metal production capacity with a singular objective of being the frontrunner when the market revives. A well defined report with a simple vision of 'moving ahead despite adversities' which reinforces my trust on future of the Company.  
**Siddheshwar Halder**

**K I C Metaliks Ltd.,** one of the few companies in eastern India, with a singular focus of Pig iron manufacturing, have most recently completed its backward integration process through sinter plant and captive power generation, is having a brighter future due to focus on a single product line. Its trove of acknowledged customer base due to its unique quality of pig iron and its plant in the iron & steel belt of Durgapur, creates a long-term perspective for the Company. I convey my best wishes to the Company.  
**Vimal Agarwal**

**Core values  
CREATE**





# Chairman's Statement

*Dear Shareholders,*

Despite our sales & profits declining from the previous year, we bravely transformed challenges into opportunities in 2015-16.

It's a time when all global iron & steel manufacturers reported a sharp decline in their financial performance; K I C Metaliks Limited reported respectable results that represent a positive divergence from external realities.

## Steel environment

The international iron & steel industry was affected by overcapacity, indicating the grimness of the industry position. To aggravate the reality, the key user industry – realty and infrastructure – remained affected by weak demand on account of surplus production from China that was exported at very low prices. This reduced steel production, moderated steel demand and eroded the realisations. Besides, a subdued economic sentiment in Europe and crude oil prices affected steel consumption.

## The K I C's response

At K I C, we tightened our business to address this challenging scenario. We enhanced business liquidity, strengthened shop-floor efficiency, expanded our customer base, stabilised the blast furnace. The products were well received by customers and are comparable with the best in the industry. The result is that K I C Metaliks Limited emerged stronger in a weaker business environment, attractively positioned to capitalise as soon as fortunes rebound.




### Emerging trends

The Indian government focused on industry-driven growth through favourable policies. The imposition of anti-dumping duty on imports from China, Korea and Malaysia from 7.5% to 10% should assist domestic players revive volumes in the immediate near future. Besides, the cost of key inputs, declined following a decline in crude prices and pig iron demand. Besides the government has also revised customs duty on flat steel from 10% to 12.5% and on long and semi-finished steel from 7.5% to 10%. Anti dumping duty was imposed for 5 years on hot-rolled flat products of stainless steel from China, Korea and Malaysia. A safeguard duty of 20% was also imposed. Government has also levied a Minimum Import Price (MIP) on various grades of steel to support domestic steel industry. The result of the above measures has also been positive for the whole industry and after MIP imports have softened and prices for finished products have seen a rise. As on-paper these policies translate into tangible growth, steel demand is expected to accelerate, leading to a renewed demand for pig iron by domestic steel producing companies..

Besides, the government is also pushing for reforms in the domestic infrastructure and real estate sector which are the end users of major of the steel products. The auto sector is also seen moderately growing. These all augur well for the domestic steel industry.



**Our vision has led us to follow an unconventional path that we believe offers sustainable revenues and a competitive advantage which we will continue to grow.** 

### Climbing to the next level

Our Company is uniquely situated within the iron & steel industry. Our vision has led us to follow an unconventional path that we believe offers sustainable revenues and a competitive advantage which we will continue to grow. While we have made significant strides with our operations, we realise that optimal performance is always a moving target. We are applying methods and best practices from our peers in the industry.

We are also further anticipating to further integrate backward or forward and newer dimensions to our portfolio in which we believe will gives us a competitive edge over our peers.

### Message to shareholders

We will continue to focus on enhancing efficiency, optimising costs and increasing liquidity and preparing for the big leap when the sector rebounds. We are optimistic that this will translate into superior margins, returns on employed capital and market capitalisation, enhancing value in the hands of all those who own shares in our company.

With warm regards

**Radhey Shyam Jalan**



# Corporate Information

## BOARD OF DIRECTORS



**Mr. Radhey Shyam Jalan**  
*Chairman and Managing Director*



**Mr. Laxmi Narayan Sharma**  
*Independent Director*



**Mr. Suresh Kumar Singhal**  
*Independent Director*



**Ms. Sayantony Banerjee**  
*Independent Director*

## CHIEF FINANCIAL OFFICER

**Mr. Mukesh Bengani**

## COMPANY SECRETARY

**Mrs. Ruchika Fogla**

## STATUTORY AUDITORS

**M/s. Agarwal Maheswari & Co.**  
Chartered Accountants  
2B, Grant Lane, Kolkata - 700 012  
West Bengal, India

## INTERNAL AUDITORS

**M/s. B. N. Agrawal & Co.**  
Chartered Accountants  
1 & 2 Old Court House Corner  
Tobacco House, 5th Floor,  
Kolkata - 700 001  
West Bengal, India

## COST AUDITORS

**M/s. Patangi & Co.**  
Cost Accountants  
"Fortuna Tower",  
23A, Netaji Subhash Road,  
1st Floor, Suite No. 13  
Kolkata - 700 001  
West Bengal, India

## SECRETARIAL AUDITORS

**M/s. Rakesh Agrawal & Co.**  
Practising Company Secretary  
159, Rabindra Sarani  
9th Floor, Room No. 9B - 1  
Kolkata - 700 007  
West Bengal, India

## BANKERS

State Bank of India  
State Bank of Hyderabad

## REGISTERED OFFICE

"Sir RNM House"  
3B, Lal Bazar Street, 4th Floor  
Room No. 2, Kolkata - 700 001  
West Bengal, India  
Phone : +91-33-3068-8681/83  
Fax : +91-33 4001-9636

## PLANT LOCATION

Raturia, Angadpur, Durgapur - 713 215  
West Bengal, India  
Phone : +91-98749 43342

## REGISTRAR & SHARE TRANSFER AGENTS

**M/s. S. K. Infosolutions Pvt. Ltd.**  
34/1A, Sudhir Chatterjee Street  
Kolkata - 700 006, West Bengal, India  
Phone : +91-33-2219-4815/6797  
Fax : +91-33-2219-4815  
**CIN : L01409WB1986PLC041169**



# DIRECTORS' REPORT

*Dear Shareholders,*

Your Directors have pleasure in presenting the Twenty Ninth Annual Report on the affairs of the Company together with the Statement of Accounts for the financial year 2015-16. The summarised financial highlights for the financial year vis-a-vis the previous year are as follows :

## 1. FINANCIAL HIGHLIGHTS

Particulars	(₹ in Lakhs)	
	2015-16	2014-15
<b>Earnings before interest (finance cost), depreciation and amortization and taxation</b>	1685.61	1,992.39
Less : Finance Costs	751.38	1,075.48
Less : Depreciation and amortization expenses	863.39	894.47
<b>Profit Before Taxation</b>	<b>70.84</b>	<b>22.44</b>
Less : Tax expenses [net of deferred tax effect and MAT credit entitlement]	(4.32)	(154.56)
<b>Profit After Taxation</b>	<b>75.16</b>	<b>177.00</b>
Add : Surplus brought forward	1445.02	1,349.58
Less : Adjustment relating to depreciation on Fixed Assets (pursuant to enactment of Schedule II to the Companies Act, 2013)	—	81.54
<b>Net surplus carried to Balance Sheet</b>	<b>1520.18</b>	<b>1,445.02</b>

## 2. PERFORMANCE, RESULT OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the year under review your Company has produced 128,358 MT of Hot Metal as compared to 122,981 MT in the previous year registering an increase of 4.37% over the last financial year. The gross turnover of the Company was ₹ 34,159 Lakhs in 2015-16 in comparison to ₹ 46,171 Lakhs in 2014-15. Although there is a moderate increase in quantitative production of pig iron, turnover of your Company has reduced substantially which can be attributed to decline in trade sales and considerable fall in the prices of the finished product of the Company during the financial year under review.

The Earning before interest, depreciation and taxation has also declined to ₹ 1685.61 Lakhs in comparison to ₹ 1992.39 Lakhs in previous financial year. However due to lower finance cost, Profit after finance cost and depreciation but before taxation stand to ₹ 70.84 Lakhs as compared to ₹ 22.44 Lakhs in previous year.

## 3. DIVIDEND

Keeping in view the working capital requirements of the Company, your Directors have ploughed back the profits and express their inability to declare any dividend for Equity and Preference shares of the Company for the financial year 2015-16.

## 4. RESERVE

During the year under the review, the Company has not transferred any amount to the general reserve.

## 5. SHARE CAPITAL

During the financial year 2015-16, there was no change in the issued and subscribed capital of your Company.

## 6. CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the Company.

# DIRECTORS' REPORT

## 7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### 7.1 Retirement by Rotation

Pursuant to the provisions of the Companies Act, 2013, Mr. Radhey Shyam Jalan (DIN: 00578800) Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The information as required to be disclosed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, [hereinafter referred to as "SEBI (LODR) Regulations, 2015"] in case of re-appointment of Directors is provided in the Notice of the ensuing Annual General Meeting.

### 7.2 Appointment and Resignation

Mr. Barun Kumar Singh, Whole Time Director designated as Executive Director of the Company resigned from the directorship of the Company w.e.f. 3rd September, 2015. Your Board places on record its appreciation for valuable services rendered by him during his tenure as a Director of the Company.

### 7.3 Declaration of Independent Directors

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

### 7.4 Key Managerial Personnel

Following officials are appointed as the Key Managerial Personnel ("KMP") of the Company :

- Mr. Radhey Shyam Jalan, Chairman and Managing Director;
- Mr. Mukesh Bengani, Chief Financial Officer; and
- Mrs. Ruchika Fogla, Company Secretary and Compliance Officer.

Remuneration and other details of the KMP are mentioned in the extract of the Annual Return which forms part of this report.

### 7.5 Meetings of the Board

As required under Section 134(3)(b) of the Companies Act, 2013, the Board of Directors met five times during the financial year 2015-16, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

### 7.6 Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 the Board of Directors has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board of Directors. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

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

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required under



# DIRECTORS' REPORT

Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as '**Annexure – A**' and forms part of this Report.

## 9. CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015, a separate report on corporate Governance is annexed as '**Annexure – B**' and forms an integral part of this Report. A certificate from the Statutory Auditors of the Company regarding compliance as per SEBI (LODR) Regulations, 2015 is annexed to the Report on Corporate Governance. The declaration by the Managing Director stating that all the Board members and Senior Management Personnel have affirmed their compliance with the Company's Code of Conduct for the year ended 31st March, 2016 is forming part of this Annual Report.

## 10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Regulation 34(3) read with Schedule V of SEBI (LODR) Regulations, 2015, Management Discussion and Analysis Report is annexed herewith as '**Annexure – C**' and forms an integral part of this Report.

## 11. COMPLIANCE CERTIFICATE

The Board has received the Compliance Certificate as required to be given by the Chief Executive Officer and the Chief Financial Officer under Regulation 17(8) of SEBI (LODR) Regulations, 2015.

## 12. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013 an extract of Annual Return of the Company in Form MGT - 9 is annexed herewith as '**Annexure – D**' and forms an integral part of this Report.

## 13. AUDITORS AND AUDITORS' REPORT

### 13.1 Statutory Auditors

At the Annual General Meeting held on 9th September, 2014, M/s. Agarwal Maheswari & Co., Chartered Accountants (Firm Reg. No. 314030E), were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2017. In terms of the first proviso to Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 made thereunder, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. Agarwal Maheswari & Co., Chartered Accountants as Statutory Auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the Auditors to the effect their appointment if ratified, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Auditors' Report does not contain any qualification, reservation or adverse remark and is self-explanatory and do not call for any further comments.

### 13.2 Cost Auditors

The Board of Directors had appointed M/s. Patangi & Co. (Firm Reg. No. 101919, Membership No. 30818) as Cost Auditors of the Company for the financial year 2016-17 in its meeting held on 30th May, 2016. Their remuneration is subject to ratification by shareholders at the ensuing Annual General Meeting. Cost Audit Report for the financial year 2014-15 was filed within due date.

### 13.3 Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, the Company has appointed M/s. Rakesh Agrawal & Co., Practicing Company Secretaries (Membership No. 25326) as Secretarial Auditors of the Company. The Secretarial Audit Report in Form MR - 3 is annexed herewith as '**Annexure – E**' and forms part of this Report. It does not contain any qualification, reservation or adverse remark.

## DIRECTORS' REPORT

### 13.4 Internal Auditors

Your Company has appointed M/s. B. N. Agrawal & Co., Chartered Accountants as the Internal Auditors to carry out the Internal Audit of various operation areas of the Company. Their scope of work and the plan for audit is approved by the Audit Committee. The Report submitted by them is regularly reviewed and their findings are discussed with the process owners and suitable corrective action is taken on an ongoing basis to improve efficiency in operations.

### 14. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same has been hosted on the website of the Company at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/VIGIL-MECHANISM.pdf>.

### 15. NOMINATION AND REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management Personnel. The policy is approved by the Nomination and Remuneration Committee and the Board of Directors and is annexed herewith as '**Annexure – F**' and forms part of this Report. More details on the same are given in the Corporate Governance Report. The said policy can also be referred to at the Company's website at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/NOMINATION-AND-REMUNERATION-POLICY.pdf>

### 16. POLICY FOR PREVENTION OF SEXUAL HARRASMENT OF WOMEN AT WORKPLACE

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment, which is free of discrimination, intimidation and abuse. Pursuant to Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013 and rules made there under, the Company has a Policy for prevention of Sexual Harassment in the Company. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013.

The said policy may be referred to at the Company's website at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/PREVENTION-OF-SEXUAL-HARRASMENT-POLICY.pdf>

### 17. AUDIT COMMITTEE

Your Company has an Audit Committee in terms of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. Further details of Audit Committee are given in the Corporate Governance Report annexed as a part of the Directors' Report.

### 18. FINANCE

#### 18.1 Public Deposits

The Company has neither accepted nor renewed any deposits during the year under review.

#### 18.2 Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

The Company has not made any investment, given any loan or guarantee covered under Section 186 of the Companies Act, 2013, during the year under the review.

#### 18.3 Contracts and arrangements with related parties

During the year under review there were no contract and arrangements entered into between the Company and related parties except remuneration paid to Key Managerial Personnel including Directors of the Company.

The Policy on materiality of related party transactions and dealing with related party transactions, as approved by the Board of Directors may be accessed on the Company's website at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/RELATED-PARTY-TRANSACTION-POLICY.pdf>. Your Directors draw attention of the shareholders to **Note No. 30** to the financial statements which set out related party disclosures.

## DIRECTORS' REPORT

### 18.4 Internal Financial Control

The Company has in place adequate internal financial control with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations of the same were observed.

### 18.5 Insurance

Adequate insurance cover has been taken for properties of the Company including buildings, plant and machineries and stocks against fire, earthquake and other risks as considered necessary.

## 19. RISK MANAGEMENT

Risk management is an integral part of the strategic management of your Company. The process involves periodic identification of risk likely to affect the business from operating smoothly and adoption of appropriate measures to address the concerns. In this regard, your Company has identified inherent risks in its operations and record residual risk after taking specific risk mitigation steps. The Policy on risk management, as approved by the Board of Directors may be accessed on the Company's website at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/RISK-MANAGEMENT-POLICY.pdf>

Further details regarding the same are given in the Management and Discussion Analysis Report.

## 20. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has always given priority to the all-round development of the people residing in and around the Company's area of operations. Company understands that there is a need to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the corporate responsibility towards the community. This twin objective of business and social commitment has prompted your Company to embark upon programmes of education, health and infrastructural development endeavors; an attempt to invest technology with a human face.

## 21. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors would like to inform the shareholders that the audited accounts containing the financial statements for the year 2015-16 are in conformity with the requirements of the provisions of Section 134(3)(c) read with Section 134(5) and all other applicable provisions of the Companies Act, 2013 and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. The Statutory Auditors, M/s. Agarwal Maheswari & Co., Chartered Accountants, Kolkata have audited these financial statements.

Based on the same, your Directors further confirm that according to their information:

- a) in the preparation of the Annual Accounts for the financial year ended 31st March, 2016, the applicable Accounting Standards 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 at the end of the financial year 2015-16 and of the profit and loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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;
- 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.

## 22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The Company had no employee during the financial year ended 31st March, 2016, who was drawing remuneration in excess of limits set out under Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no disclosure is required for the same.



## DIRECTORS' REPORT

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided here below :

- i) **The ratio of remuneration of each Director/KMP to the median remuneration of the employees of the Company for the financial year 2015-16 :**

Sl. No.	Name of Directors/ KMP and Designation	Remuneration for financial year 2015-16 (₹ in Lakhs)	% increase in remuneration in the financial year 2015-16	Ratio of remuneration of each Director/KMP to median remuneration of employees
1.	Mr. Radhey Shyam Jalan (Chairman and Managing Director)	18.00	—	13.04x
2.	Mr. Barun Kumar Singh <sup>1</sup> (Whole Time Director)	7.66	—	—
3.	Mr. Suresh Kumar Singhal (Non-Executive, Independent Director)	—	—	—
4.	Mr. Laxmi Narayan Sharma (Non-Executive, Independent Director)	—	—	—
5.	Ms. Sayantony Banerjee (Non-Executive, Independent Director)	—	—	—
6.	Mr. Mukesh Bengani (Chief Financial Officer)	8.30	4.80%	6.01x
7.	Mrs. Ruchika Fogla (Company Secretary)	5.25	2.94%	3.80x

**Note :**

<sup>1</sup> Resigned from the Board w.e.f 3rd September, 2015.

- ii) The median remuneration of employees of the Company during the financial year 2015-16 was ₹ 1.38 Lakhs.  
 iii) In the financial year 2015-16, there was an increase of 5.19 % in the median remuneration of employees.  
 iv) There were 258 permanent employees on the rolls of Company as on 31st March, 2016.

- v) **Relationship between average increase in remuneration and Company performance :**

The Profit Before Tax for the financial year ended 31st March, 2016 is ₹ 70.84 Lakhs as compared to ₹ 22.44 Lakhs in the previous financial year 2014-15. The average increase in median remuneration is 5.19 % which was based on parameters such as individual performance of concerned employee, comparative compensation as per the market scenario, inflation and performance of the Company.

- vi) **Comparison of remuneration of the Key Managerial Personnel against the performance of the Company :**

The total remuneration of Key Managerial Personnel increased from ₹ 31.02 Lakhs in the financial year 2014-15 to ₹ 31.55 Lakhs in the financial year 2015-16, an increase of 1.71%.\*\*

**Note :** \*\* Remuneration of Mr. Barun Kumar Singh is not taken into consideration both for this financial year and the previous financial year as he has resigned from the Board w.e.f 3rd September, 2015.

The increase in the total remuneration of Key Managerial Personnel was based on individual performance of the concerned personnel, their roles and responsibilities.

- vii) **Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year :**

Sl. No.	Particulars	31st March, 2016	31st March, 2015	% Change
a)	Market Capitalisation (₹ in Lakhs)	12,423.60	28,765.96	(-)56.81%
b)	Price Earnings Ratio	165.09	162.73	1.43%

## DIRECTORS' REPORT

**viii) Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer :**

The Company had come out with Initial Public Offer in 1994 at a price of ₹ 10 per share which is worth of ₹ 175.00 per shares as on 31st March, 2016 which indicates an increase of 1650% over last Initial Public Offer in 1994.

**ix) Average percentage increase made in the salaries of employees other than the Managerial Personnel in the financial year under review i.e. 2015-16 was 2.36% whereas the increase in the managerial remuneration for the same period was 1.71%.**

**x) The key parameters for variable component of remuneration availed by the Directors - Not Applicable.**

**xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year - Not Applicable; and**

**xii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.**

### 23. MATERIAL ORDERS

There have been no significant and material orders passed by the court or regulators or tribunals impacting the going concern status and Company's operations. Your attention is drawn to the Contingent Liabilities and commitments shown in the Notes to Financial Statements forming part of this Annual Report.

### 24. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the close of the financial year till the date of this Report, which affect the financial position of the Company.

### 25. ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their appreciation on the dedication and commitment of employees at all levels, resulting in the successful performance of the Company during the year under review. Your Directors would also like to thank and express their gratitude for the support and co-operation received from employees of the Company, shareholders, customers, agents, suppliers, bankers, Government authorities and all the other business associates and also for the confidence reposed in its management.

### ANNEXURES TO THIS REPORT

A brief summary of the annexures accompanying this Report are given as below :

Annexure	Particulars
A	Conservation of Energy, Technology Absorption And Foreign Exchange Earnings and Outgo.
B	Corporate Governance Report.
C	Management and Discussion and Analysis Report.
D	Extract of Annual Return in Form MGT - 9.
E	Secretarial Audit Report in Form MR - 3.
F	Nomination And Remuneration Policy.

For and on behalf of the Board of Directors

Place : Kolkata  
Dated : The 30th day of May, 2016

**Radhey Shyam Jalan**  
Chairman and Managing Director

## 'ANNEXURE - A' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014 and as part of the Directors' Report for the financial year ended 31st March, 2016.

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

##### (i) The steps taken or impact on conservation of energy :

- Transparent sheets are fitted on factory sheds so that sunlight can reach inside plant premises thus saving power at daytime.
- Timer and sensor fitted for illumination in yards and factory premises.
- Replacement of conventional lights with LED lights.

##### (ii) The steps taken by the Company for utilizing alternate sources of energy : Nil

##### (iii) The capital investment on energy conservation equipments : Nil

#### B. TECHNOLOGY ABSORPTION

##### (i) The efforts made towards technology absorption : Nil

##### (ii) The benefits derived like product improvement, cost reduction, production development or import substitution : Nil

##### (iii) In case of imported technology :

- |    |  |   |   |
|----|--|---|---|
| a) | the details of technology imported during the year.  | : | No new technology has been imported during the year |
| b) | the year of import   | : | N.A.  |
| c) | whether the technology been fully absorbed   | : | N.A.  |
| d) | if, not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | : | N.A.  |

##### (iv) The expenditure incurred on Research and Development : Nil

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Lakhs)

Sl. No.	Particulars	2015-2016	2014-2015
a)	Foreign Exchange earned in terms of Actual Inflows	Nil	Nil
b)	Foreign Exchange used in terms of Actual Outflows	10,797.50	18,649.39

For and on behalf of the Board of Directors

Place : Kolkata  
Dated : The 30th day of May, 2016

**Radhey Shyam Jalan**  
Chairman and Managing Director



## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy is to conduct business with ethical standards, transparent governance practices and highest standards of professionalism, fairness and integrity for the growth and prosperity of all the stakeholders on a sustainable basis while keeping with its corporate social responsibilities. The Company believes that organizations have both economic and social objectives and the principles of Corporate Governance are applied to achieve both these goals.

Through the Corporate Governance mechanism, the Board of Directors of the Company [hereinafter referred to as "Board"] along with its Committees and Senior Management endeavors to strike the right balance with its various stakeholders. The Board further believes that it has a fiduciary relationship and a corresponding duty to all its stakeholders' viz. customers, creditors, employees, vendors, community, the Government and shareholders, to ensure that their rights are well protected. At the highest level, the Board continuously endeavors to improve upon governance aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the Company forward.

The Company is in compliance with the requirements of the guidelines on Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "SEBI (LODR) Regulations, 2015"]. We present hereunder our report on compliance of Corporate Governance conditions as specified in SEBI (LODR) Regulations, 2015.

#### 2. BOARD OF DIRECTORS

##### Composition of the Board as on 31st March, 2016 :

Category	No. of Directors
Non Executive and Independent Directors	3
Executive Directors	1

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he/she is a Director. As required under Section 149(3) of the Companies Act, 2013, Ms. Sayantony Banerjee has been appointed as an Independent Woman Director on the Board pursuant to Section 149(3) of the Companies Act, 2013 ("Act"). The composition of the Board is in conformity with Regulation 17 of SEBI (LODR) Regulations, 2015. The Board met five times during the year and the time gap between any two meetings did not exceed 120 days.

##### Board Meetings held during the financial year 2015-16 :

Sl. No.	Date of Meetings	Total no. of Directors	No. of Directors present
1	30th May, 2015	5	4
2	14th August, 2015	5	4
3	3rd September, 2015	5	3
4	13th November, 2015	4	4
5	12th February, 2016	4	3

## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

The composition of the Board and the attendance of Directors at the Board Meetings held during the last fiscal and at the last Annual General Meeting, and the number of other directorship and Board Committees' membership/chairmanship held in other Public Companies are as follows :

Name and Category of the Directors	Attendance at Board Meetings	Attendance at the last Annual General Meeting	No. of other Directorship held <sup>1</sup>		No. of other Committee membership held <sup>2</sup>	
			As Director	As Chairman	As Member	As Chairman
Mr. Radhey Shyam Jalan (Executive, Chairman and Managing Director)	5	Yes	Nil	Nil	Nil	Nil
Mr. Barun Kumar Singh (Executive, Whole Time Director) <sup>3</sup>	0	No	Nil	Nil	Nil	Nil
Mr. Suresh Kumar Singhal (Non-Executive, Independent Director)	3	Yes	Nil	Nil	Nil	Nil
Mr. Laxmi Narayan Sharma (Non-Executive, Independent Director)	5	No	6	Nil	1	Nil
Ms. Sayantony Banerjee (Non-Executive, Independent Director)	5	Yes	Nil	Nil	Nil	Nil

#### Notes :

- 1 Excludes Directorship/Committee membership in Private Limited Companies, Companies under Section 8 of the Companies Act, 2013 read with Rule 19 of the Companies (Incorporation) Rules, 2014 and Foreign Companies and Associations.
- 2 Only Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the SEBI (LODR) Regulations, 2015.
- 3 Mr. Barun Kumar Singh has resigned from the Board w.e.f 3rd September, 2015.
- 4 None of the Directors have any inter-se relation among themselves and with any of the employees of the Company.
- 5 None of the Non-Executive Directors holds any shares and/or convertible instruments in the Company.

#### Other provisions as to Board and Committees

An annual calendar of meetings is established after consulting all Directors to facilitate their physical presence and meaningful participation. It has been the Company's endeavor to have meetings at plant site of the Company too, apart from the Registered Office of the Company to get Directors to WITNESS the practices and to get under the skin of the Company's business model

The Board periodically reviews the compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify the instances of non-compliance, if any. The agenda along with explanatory notes (for Board and other meetings) are sent in advance to all Directors to get their input in the discussion. In case of business exigencies the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

Your Company's Directors promptly notify any change(s) in the committee positions as and when they take place.

#### Independent Directors

Your Company has appointed Independent Directors who are renowned people having expertise/experience in their respective field/ profession. None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/ she meets the criteria of independence as required under Section 149(7) of the Companies Act, 2013. All Independent Directors maintain their limits of directorships as required under Regulation 25(1) of SEBI (LODR) Regulations, 2015. The terms and conditions of the appointment of the Independent Directors

## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

have also been disclosed on the website of the Company and can be accessed at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/NOMINATION-AND-REMUNERATION-POLICY.pdf>.

#### Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or Management Personnel as required under Regulation 25(3) of SEBI (LODR) Regulations, 2015. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Management.

During the year under review, the Independent Directors met once on **14th August, 2015**, without the attendance of Executive Directors and Management Personnel. All the Independent Directors were present in that meeting.

The Independent Directors in the said meeting had, inter-alia :

- i. reviewed the performance of Non-Independent Directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### Induction and Training of Board Members

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Executive Committee Members, Business and Functional Heads, visit to the manufacturing site, etc. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members.

#### Code of Conduct "Code"

Your Company has adopted a Code of Conduct for members of the Board (incorporating duties of Independent Directors) and the Senior Management. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. Your Company has received confirmations from all concerned regarding their adherence to the said Code.

Pursuant to Regulation 26(3) of SEBI (LODR) Regulations, 2015, the Managing Director of the Company confirmed compliance with the Code by all members of the 'Board' and the Senior Management.

The full text of the Code is hosted on the Company's website and can be accessed at the web link <http://kicmetaliks.com/about-k-i-c-metaliks/code-of-conduct/>.

#### DECLARATION

As provided under Part D of Schedule V of SEBI (LODR) Regulations, 2015, all the members of the Board (including Independent Directors), Key Managerial Personnel and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March, 2016.

For **K I C METALIKS LIMITED**

Place : Kolkata  
Dated : The 30th day of May, 2016

**Radhey Shyam Jalan**  
Chairman and Managing Director



## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

#### Code of Conduct for Prohibition of Insider Trading

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

### 3. BOARD COMMITTEES

#### A. Audit Committee

- (a) The Company has an Audit Committee within the scope as set out in Regulation 18 of SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Committee has three Independent, Non-Executive Directors and one Executive Director, all of whom are persons with considerable financial experience and expertise. Mr. Suresh Kumar Singhal, Chairman of the Committee is an Independent Director and was present at the last Annual General Meeting of the Company held on 29th September, 2015. Mr. Singhal, is a Mechanical Engineer with MBA (Finance) having an experience of around 20 years in the field of Industry and Business Administration.
- (b) The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting. The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The terms of reference, role and scope of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

The brief terms of reference of the Committee, *inter alia*, include the following :

- 1) To review and recommend the quarterly financial statements of the Company;
- 2) To review reports of the Internal Auditors quarterly;
- 3) To review weaknesses in internal controls reported by Internal as well as the Statutory Auditors.

Audit Committee has powers prescribed under Regulation 18(3) of the SEBI (LODR) Regulations, 2015 and the role and scope of activities of the Audit Committee is prescribed in Part C of Schedule II of this Regulation.

- (c) The Audit Committee met 4 (four) times during the financial year 2015-16 i.e. on 30th May, 2015; 14th August, 2015; 13th November, 2015 and 12th February, 2016 and not more than four months have elapsed between two meetings.
- (d) **The composition of the Audit Committee as on 31st March, 2016 and attendance at the meetings of the Committee during financial year 2015-16 is as under :**

Name and Category of the Directors	Position held	No. of Audit Committee Meetings	
		Held	Attended
Mr. Suresh Kumar Singhal (Non-Executive, Independent Director)	Chairman	4	3
Mr. Laxmi Narayan Sharma (Non-Executive, Independent Director)	Member	4	4
Mr. Radhey Shyam Jalan (Executive, Chairman & Managing Director)	Member	4	4
Ms. Sayantony Banerjee (Non-Executive, Independent Director)	Member	4	4

## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

- (e) The Chief Financial Officer and other senior functional executives of the Company are invited as and when required to provide necessary inputs to the Committee. The Internal Auditors and Statutory Auditors or their representatives are also invited to each meeting of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

#### B. Nomination and Remuneration Committee

- a) Pursuant to provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 and amendments there upon the Board has constituted the Nomination & Remuneration Committee to oversee the Company's nomination process for the senior management and to decide the salary, perquisites and commission/ performance linked remuneration etc., to be paid to them and other employees within the broad frame-work of the Group Policy, merit and Company's performance. The Committee also co-ordinates and oversees the annual self-evaluation of the performance of the Board, Committees and of individual Directors. All the members are Non-Executive, Independent Directors. The Nomination and Remuneration Committee met once during the financial year 2015-16 on 30th May, 2015.
- b) **The composition of the Nomination and Remuneration Committee as on 31st March, 2016 and attendance at the meetings of the Committee during financial year 2015-16 is as under :**

Name and Category of the Directors	Position held	No. of Remuneration Committee Meetings	
		Held	Attended
Mr. Suresh Kumar Singhal (Non-Executive, Independent Director)	Chairman	1	1
Mr. Laxmi Narayan Sharma (Non-Executive, Independent Director)	Member	1	1
Ms. Sayantony Banerjee (Non-Executive, Independent Director)	Member	1	1

**Terms of Reference:** The terms of reference of the Nomination and Remuneration Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Part D of Schedule II and Regulation 19 of SEBI (LODR) Regulations, 2015. The brief terms of reference of the Committee, inter alia, include the following :

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Director, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

**Nomination and Remuneration Policy :** The Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and Senior Management Personnel of the Company which is displayed on the website of the Company and can be accessed at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/NOMINATION-AND-REMUNERATION-POLICY.pdf> and is also annexed herewith as 'Annexure – F' and forms part of the Directors' Report.

## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

The details of remuneration paid to the Executive and Non-Executive Directors during the financial year 2015-16, are as follows :

**a) Executive Directors :**

Name and Category of the Director	Salary including Benefits/ Allowances, etc. (₹)	Period of Contract	
		From	To
Mr. Radhey Shyam Jalan (Executive, Chairman & Managing Director)	18,00,000	31.01.2014	30.01.2017
Mr. Barun Kumar Singh (Executive, Whole-time Director) <sup>1</sup>	7,66,494	30.05.2015	03.09.2015 <sup>1</sup>
<b>Total</b>	<b>25,66,494</b>		

**Note :**

<sup>1</sup> Mr. Barun Kumar Singh has resigned from the Board w.e.f 3rd September, 2015.

No severance fees is payable to the Whole Time Directors on termination of the employment. The contract may be terminated by either party giving the other party three months notice. Presently, the Company does not have any scheme for grant of Stock Options to its Managing Director, Directors or other employees.

**b) Non-Executive Directors :**

Name and Category of the Director	Sitting Fees (₹) <sup>1</sup>	Commission (₹)	No. of shares/ convertible debentures held
Mr. Laxmi Narayan Sharma (Non-Executive, Independent Director)	Nil	Nil	Nil
Mr. Suresh Kumar Singhal (Non-Executive, Independent Director)	Nil	Nil	Nil
Ms. Sayantony Banerjee (Non-Executive, Independent Director)	Nil	Nil	Nil

**Note :**

<sup>1</sup> In view of inadequate profit of the Company during the period under review, the Directors have waived their sitting fees for attending the Board Meetings and Audit Committee Meetings.

**C. Stakeholders Relationship Committee**

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015 and amendments there upon the Board has constituted Stakeholders Relationship Committee. This committee comprises of three Non-Executive Independent Directors.

This Committee is specifically formed to look into the redressal of grievance of shareholders, debenture holders and other security holders. This committee shall consider and resolve the grievance of all the security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend, etc.

During the financial year 2015-16, the committee met 5 (Five) times on 30th May, 2015; 14th August, 2015; 13th November, 2015; 10th December, 2015 and 12th February, 2016.

The composition of the Stakeholders Relationship Committee as on 31st March, 2016 and the attendance at the meetings of the Committee during the financial year 2015-16 is as under :

Name and Category of the Director	Position held	No. of Investor Grievance Committee Meetings	
		Held	Attended
Mr. Laxmi Narayan Sharma (Non-Executive, Independent Director)	Chairman	5	5
Mr. Suresh Kumar Singhal (Non-Executive, Independent Director)	Member	5	4
Ms. Sayantony Banerjee (Non-Executive, Independent Director)	Member	5	5



## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

#### Name, designation and address of Compliance Officer :

Mrs. Ruchika Fogla  
Company Secretary  
K I C Metaliks Limited  
"Sir RNM House" 3B, Lal Bazar Street, 4th Floor,  
Room No. 2, Kolkata - 700 001, West Bengal, India  
Phone: +91-33-3068-8681/83  
Fax: +91-33-4001-9636  
E-mail : companysecretary@kicmetaliks.com

#### Shareholder/Investor Complaints received and redressed during financial year 2015-16 :

Particulars	Nos.
Number of complaints pending as on 1st April, 2015	Nil
Number of complaints received during 1st April, 2015 to 31st March, 2016	Nil
Number of complaints disposed off during the year ended on 31st March, 2016	Nil
Number of complaints pending as on 31st March, 2016	Nil

#### 4. GENERAL BODY MEETINGS

##### a) Details regarding venue, date and time of last 3 (three) Annual General Meetings of the Company are as follows :

Sl. No.	AGM Particulars	Date	Time	Location
1.	28th Annual General Meeting of the year 2014-15	29th September, 2015	10:00 a.m.	"Rotary Sadan" (Shripati Singhanian Hall), 94/2, Chowringhee Road, Kolkata 700 020, West Bengal, India
2.	27th Annual General Meeting of the year 2013-14	9th September, 2014	10:00 a.m.	"Rotary Sadan" (Shripati Singhanian Hall), 94/2, Chowringhee Road, Kolkata 700 020, West Bengal, India
3.	26th Annual General Meeting of the year 2012-13	27th September, 2013	10:00 a.m.	"Rotary Sadan" (Shripati Singhanian Hall), 94/2, Chowringhee Road, Kolkata 700 020, West Bengal, India

##### b) Details regarding Special Resolutions passed in last 3 (three) Annual General Meetings are as follows :

Shareholder's Meeting	Business requiring Special Resolution
28th Annual General Meeting held on 29th September, 2015	<b>One Special resolution was proposed and approved :</b> <ul style="list-style-type: none"> <li>To ratify remuneration of Cost Auditors of the Company for the financial year 2015-16.</li> </ul> <b>Four Special resolutions were proposed and approved :</b> <ul style="list-style-type: none"> <li>Approve payment of overall and minimum remuneration to Mr. Barun Kumar Singh (DIN: 05292536), Whole Time Director of the Company for his remaining tenure.</li> <li>Re-appointment of Mr. Radhey Shyam Jalan (DIN: 00578800) as Chairman and Managing Director of the Company and approval of the overall remuneration payable to him.</li> <li>Authorise Board of Directors to borrow money otherwise than on debentures.</li> <li>Authorise Board of Directors for creation of charge on movable and immovable properties of the Company, both present and future.</li> </ul>
27th Annual General Meeting held on 9th September, 2014	
26th Annual General Meeting held on 27th September, 2013	

## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

#### c) Details regarding resolutions passed through Postal Ballot during financial year 2015-16 :

During the financial year 2015-16, no resolutions were passed through Postal Ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of resolutions through Postal Ballot.

#### d) Extraordinary General Meeting :

No Extraordinary General Meeting of the shareholders was held during the financial year 2015-16.

### 5. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS

The Company has complied with all mandatory requirements as prescribed in Part C of Schedule V of the SEBI (LODR) Regulations, 2015.

#### Non-mandatory requirements under Regulation 27 of the SEBI (LODR) Regulations, 2015

The status of compliance with the non-mandatory requirements of the SEBI (LODR) Regulations, 2015 is provided below :

#### Modified opinion(s) in Audit Report

There are no modified opinions in the Audit Report given by M/s. Agarwal Maheswari & Co., Statutory Auditors of the Company.

#### Reporting of Internal Auditor

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly Internal Audit Reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

#### Information to Shareholders

General information of shareholders' interest is set out in a separate section titled "General Shareholder Information".

#### Auditors' Certificate on Corporate Governance

The Company has obtained a certificate from its Statutory Auditors testifying to its compliance with the provisions relating to SEBI (LODR) Regulations, 2015. This certificate is annexed to the Corporate Governance Report for the year 2015-16 and will be sent to the Stock Exchanges, along with the Annual Report to be filed by the Company.

### 6. OTHER DISCLOSURES

- a) There were no materially significant transactions with related parties as defined under SEBI (LODR) Regulations, 2015 entered into by the Company that may have potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is regularly placed at the Board meetings. Attention of Members is drawn to the disclosure of transactions with related parties during the year as set out under **Note No. 30** of Notes to the Financial Statements forming part of Annual Accounts. The duly adopted 'Related Party Transaction Policy' is available on the website of the Company at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/RELATED-PARTY-TRANSACTION-POLICY.pdf>.
- b) The Company follows the applicable Accounting Standards and in the preparation of financial statements, the Company has not adopted a treatment different from that as prescribed in an Accounting Standard.
- c) The procedures for risk assessment and minimisation have been disclosed in **Point No. 19** of the Directors' Report and **Point No. 4** of Management Discussion and Analysis Report.
- d) During the financial year 2015-16, the Company had not issued any form of Share Capital.
- e) The relevant disclosures on the remuneration of Directors have been included under "Nomination and Remuneration Policy" annexed as '**Annexure – F**' to the Directors' Report.
- f) The Company has duly complied with the requirements of the regulatory authorities on Capital Markets. No penalties, strictures have been imposed on the Company by Stock Exchange or SEBI or by any statutory authority, on any matter related to the capital markets, during the last three years.

## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

- g) Details regarding the establishment of Vigil Mechanism/Whistle Blower Policy have been disclosed in **Point No. 14** of the Directors' Report.
- h) The Company does not have any subsidiary.
- i) Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting as required under SEBI (LODR) Regulations, 2015 is given in the Notice convening the 29th Annual General Meeting of the shareholders of the Company.

#### 7. MEANS OF COMMUNICATION

(a) <b>Quarterly Results</b>	
(i) <b>Which newspapers normally published in :</b> English Bengali	Business Standard (All editions) Arthik Lipi
(ii) <b>Any website displayed :</b>	www.kicmetaliks.com
(b) <b>Whether website also displays official news releases</b>	Yes
(c) <b>Whether presentations made to institutional investors or analysts</b>	No

#### 8. GENERAL SHAREHOLDER INFORMATION

(a) <b>AGM : Date and Day Time Venue</b>	22nd September, 2016 (Thursday) 10:00 a.m. "Rotary Sadan" (Shripati Singhanian Hall), 94/2, Chowringhee Road, Kolkata 700 020, West Bengal, India
(b) <b>Financial Calendar (tentative and subject to change)</b>	
Financial reporting for the quarter ending 30th June, 2016	By End July, 2016
Financial reporting for the quarter ending 30th September, 2016	By End October, 2016
Financial reporting for the quarter ending 31st December, 2016	By End January, 2017
Financial reporting for the year ending 31st March, 2016	By End May, 2017
(c) <b>Book Closure period</b>	From 16th September, 2016 to 22nd September, 2016 (both days inclusive)
(d) <b>Dividend Payment Date</b>	The Directors have not recommended any dividend for the financial year 2015 - 2016
(e) <b>Listing on Stock Exchange(s)</b> The Company's securities are currently listed at "BSE Limited"	Scrip Code – 513693 Scrip ID-KAJARIR
(f) <b>Listing &amp; Custodian Fees for the financial year 2015-16</b> The Company has paid the Listing Fees for the financial year 2015-2016 to BSE Limited. The Company has also paid custodian fees for the financial year 2015-16 to National Securities Depository Limited and Central Depository Services (India) Limited	ISIN No. : INE 434C01019 Depository Connectivity : NSDL and CDSL



## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

#### (g) Market Price Data :

High/low (based on the closing prices) and number of shares traded during each month in the financial year 2015-16 on BSE Limited.

Month	High Price (₹)	Low Price (₹)	Close Price (₹)	No. of shares	BSE Sensex Close
April 2015	479.90	370.00	387.60	183734	27011.31
May 2015	454.00	275.60	323.50	2164	27828.44
June 2015	415.00	300.00	348.80	1149	27780.83
July 2015	380.00	214.50	287.70	13271	28114.56
August 2015	313.00	198.00	215.80	244746	26283.09
September 2015	215.00	119.50	119.80	161457	26154.83
October 2015	200.00	131.70	142.60	30674	26656.83
November 2015	142.60	127.60	132.00	423	26145.67
December 2015	158.40	134.60	158.20	835	26117.54
January 2016	174.90	156.00	162.40	2629	24870.69
February 2016	165.30	158.50	165.30	540	23002.00
March 2016	187.00	168.50	175.00	688	25341.86

#### (h) Performance of the Company in comparison with Broad based indices :

Comparison of K I C Metaliks Limited Stock price with broad based indices - BSE Sensex

Particulars	K I C Metaliks stock price v/s BSE Sensex	
	K I C Metaliks Ltd. Share Price	BSE Sensex
On 1st April, 2015	419.90	27954.86
On 31st March, 2016	175.00	25341.86
% change	(-)58.32	(-)9.35

#### (i) Registrar and Transfer Agent

For share related matters, Members are requested to correspond with the Company's Registrar and Transfer Agent - M/s. S. K. Infosolutions Pvt. Ltd. quoting their Folio No./DP ID & Client ID at the following address :

##### **S. K. Infosolutions Pvt. Ltd.**

34/1A, Sudhir Chatterjee Street, Kolkata - 700 006

West Bengal, India

Phone : +91-33-2219-6797

Fax : +91-33-2219-4815

E-mail : [contact@skcinfo.com](mailto:contact@skcinfo.com)/[skcdilip@gmail.com](mailto:skcdilip@gmail.com)

Website : [www.skcinfo.com](http://www.skcinfo.com)

Shareholders holding shares in electronic form should address their correspondence, except those relating to dividend, to their respective Depository Participants.

#### (j) Share Transfer System

The share transfer/transmission/splits and/or issue of duplicate share certificates are processed on behalf of the Company by the Registrar and Transfer Agent, M/s. S. K. Infosolutions Pvt. Ltd. and is then placed before the Company Secretary/ Managing Director who had been delegated the authority by Share Transfer Committee to approve transfers. They address all the requests fortnightly.

## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

(k) Distribution of Shareholding as on 31st March, 2016 :

Range or Equity shares	No. of holders	% of holders	No. of shares	% of capital
Upto 500	1613	92.28	180972	2.55
501 – 1000	58	3.32	47109	0.66
1001 – 2000	21	1.2	31267	0.44
2001 – 3000	8	0.46	22308	0.31
3001 – 4000	3	0.17	10515	0.15
4001 – 5000	3	0.17	14005	0.2
5001 – 10000	16	0.92	120138	1.69
10001 – 50000	12	0.68	234945	3.31
50001 – 100000	7	0.4	447675	6.31
100001 and Above	7	0.4	5990266	84.38
<b>Total</b>	<b>1,748</b>	<b>100.00</b>	<b>7,099,200</b>	<b>100.00</b>

(l) Category wise Shareholding as on 31st March, 2016 :

Name of the shareholders	No. of holders	% of holding	No. of shares held	% of shares held
Promoters Holding	1	0.06	4,126,885	58.13
Non-Promoters Holding				
- Financial Institutions	-	-	-	-
- Bodies Corporate	81	4.63	2,497,786	35.18
- NRI and Foreign Company	13	0.74	2,756	0.04
Indian Public	1,653	94.57	471,773	6.65
<b>Total</b>	<b>1,748</b>	<b>100.00</b>	<b>7,099,200</b>	<b>100.00</b>

(m) Dematerialisation of shares and liquidity as on 31st March, 2016 :

Particulars of shares	Equity shares of ₹ 10/- each	
	Number	% of total
<b>Dematerialised Form</b>		
a) NSDL	5,488,109	77.31
b) CDSL	1,506,642	21.22
<b>Sub Total</b>	<b>6,994,751</b>	<b>98.53</b>
Physical Form	104,449	1.47
<b>Total</b>	<b>7,099,200</b>	<b>100.00</b>

The Equity Shares of the Company are compulsorily traded in dematerialised form on BSE Limited. Hence the shares enjoy enough liquidity in the market.

(n) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely equity

Nil

(o) Plant Location - Pig Iron Plant

Raturia, Angadpur, Durgapur - 713 215  
West Bengal, India  
Phone : +91-98749 43342

## 'ANNEXURE - B' TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

**(p) Address for Correspondence**

**Registered Office:**

"Sir RNM House", 3B, Lal Bazar Street  
4th Floor, Room No.2, Kolkata - 700 001  
West Bengal, India  
Phone : +91-33-3068-8681/83  
Fax : +91-33-4001-9636  
Email : info@kicmetaliks.com

**(q) Reconciliation of Share Capital Audit**

In compliance of Regulation 55A of SEBI (Depositories and Participants Regulations) 1996, a Practicing Company Secretary carried out quarterly audits, reconciling the issued shares of the Company with the aggregate of the number of shares held by the investors in physical form and in electronic form with the depositories. The Reconciliation of Share Capital Audit Reports were submitted to the stock exchange within the prescribed time limit. As on 31st March, 2016 there was no difference between the issued shares and the aggregate of the number of shares held by the investors in both physical form and in electronic form with the depositories. 69.94 Lakhs Equity Shares representing 98.53 % of the issued Equity Share Capital have been dematerialized as on 31st March, 2016.

For and on behalf of the Board of Directors

Place : Kolkata  
Dated : The 30th day of May, 2016

**Radhey Shyam Jalan**  
Chairman and Managing Director

## AUDITORS' CERTIFICATE

### INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,  
The Members of  
**K I C Metaliks Limited**

We have examined the compliance of conditions of Corporate Governance by K I C Metaliks Limited ('the Company') for the year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement ("Listing Agreement") of the said Company with stock exchanges for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, "SEBI (LODR) Regulations, 2015" as referred to in Regulation 15(2) of the SEBI (LODR) Regulations, 2015 for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliances with the conditions of Corporate Governance as in the above mentioned Listing Agreement/SEBI (LODR) Regulations, 2015, as applicable. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/SEBI (LODR) Regulations, 2015, as applicable.

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

For **AGARWAL MAHESWARI & CO.**  
Chartered Accountants  
Firm Regd. No. 314030E

**D. R. Agarwal**  
Partner  
Membership No. 51484

Place : Kolkata  
Dated : The 30th day of May, 2016



# 'ANNEXURE - C' TO THE DIRECTORS' REPORT

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. IRON & STEEL - INDUSTRY STRUCTURE AND DEVELOPMENTS

The global macroeconomic landscape is currently chartering a rough and uncertain terrain characterized by weak growth of world output. Even in these trying and uncertain circumstances, India's growth story has largely remained positive on the strength of domestic absorption, and the country has registered a steady pace of economic growth in 2015-16 as it did in 2014-15. As per the advance estimates of national income 2015-16, released by CSO, the Indian economy is expected to grow 7.6 per cent in 2015-16, as compared to the growth rate of 7.2 per cent in 2014-15. The improvement in India's economic fundamentals has accelerated in 2015 with the combined impact of strong government reforms, RBI's focus on inflation supported by benign global commodity prices.

The global as well as Indian iron & steel industry is surrounded with serious threats and challenges. Steel industry in India, one of the fastest growing steel producing nations, is passing through "stress" for some time due to rising imports from China, Japan and Korea which is creating trouble for the domestic industry and also causing losses to it. Weak industrial activity and lower exports resulted in oversupply conditions of pig iron in the domestic markets which weakened realizations of domestic pig iron producers. As on now domestic pig iron demand seems to be stagnated and pig iron companies are struggling.

However, as per the World Steel Association Short Range Outlook (SRO) growth for steel demand is expected in all markets, except China, in 2017. India's consumption of total finished steel saw a growth of 4.3 per cent in 2015-16 to 80.27 million tonnes (MT) as against 77 MT in the previous fiscal. Driven by rising infrastructure development and growing demand for automobiles, steel consumption is expected to reach 104 MT by 2017-18\*. It is also expected that consumption per capita would increase supported by rapid growth in the industrial sector, and rising infra expenditure projects in railways, roads & highways, etc, which in turn will also open new doors for the pig iron industry.

\* Source : Steel Ministry Joint Plant Committee (JPC)

### 2. OPPORTUNITIES

India is almost perceived as the 'growth engine' of the world economy. If the Indian economy continues to grow by around 7% it will give a big support to the steel demand curve. Also the infrastructure utilization index in India is more than 100% which shows a big requirement and opportunity for infrastructure development which in turn will help in the growth of pig iron industry. The Automotive industry is forecasted to grow in size by USD 74 billion to 260-300 billion from 2015 to 2026 and with increasing capacity additions in the user industries like Automotive, Infrastructure, Castings, Steel etc, demand for pig iron from these industries is bound to grow.

Your Company is successfully running its Sinter Plant which facilitates the use of iron ore fines (waste product sold at throw away prices) generated during pig iron production by converting them into sinter lumps which are again used as raw material for pig iron production, thus saving on raw material cost of the Company. Further, the Captive Power Plant uses the waste gases of the MBF to generate clean power, which helps to reduce power cost of the Company. These units provide opportunity for growth and earnings to your Company in addition to the external factors affecting the business of your Company.

### 3. THREATS

As on now, the domestic demand seems to be stagnated. Steel companies are struggling for want of raw materials at reasonable price.

Chinese steel exports started increasing and in the year 2015 it crossed 100 MT mark, much more than the production in any single country except the US. This has really posed a big threat to the iron & steel sector in other countries. Cheap imports not only eat away the demand but also dilute the price. Many steel companies across the world have started bleeding trying to match the price and compete with cheap imports.

The Indian story is not different. For the last few years, Indian mills have been struggling for the survival mainly due to demand stagnation and non availability & high price of raw materials. The threat of cheap imports has added to their problems. At the governmental level also, it is not easy to comply with the WTO norms and still protect the domestic industry. Also there will always be a pressure from the steel user industry to allow these imports as it helps them to reduce their manufacturing cost. In spite of all this government of India has taken a bold decision to introduce Minimum Import Price (MIP) for steel and steel products.

# 'ANNEXURE - C' TO THE DIRECTORS' REPORT

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MIP has given some cushioning to the prices and subsequently there was some price rise too. But if the demand does not increase, this price rise will not be of any use to the steel producers. Low exports and dumping of pig iron in the domestic markets have resulted in a fall in the prices of pig iron. Despite these adverse market conditions your Company is optimistic to keep their bottom line intact, riding on its quality products, sustainable operations and efficient manpower.

### 4. RISKS AND CONCERNS

The Company has laid down a well defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework.

During the year, a risk analysis and assessment was conducted and no major risks were noticed, which may threaten the existence of the Company.

### 5. FUTURE OUTLOOK

The International Monetary fund (IMF) and the Moody's Investor Service have forecasted that India will witness a GDP growth rate of 7.5-8 % in 2016-17, due to improved investor confidence, moderate inflation and better policy reforms. India is expected to become the world's second largest producer of crude steel in the next 10 years, moving up from the third position, as its capacity is projected to increase to about 300 MT by 2025. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India. Looking at the domestic scenario, things might seem promising here as the recent government initiatives are aimed to scale up the overall steel production in India.

The oversupply and lower demand of pig iron is expected to continue in 2016-17 but reforms have been underway and they sure look promising and are aiming to fill the gap between demand-supply with suitable measures. But it is so early to say that it seems like a ray of light to our pig iron manufacturing industry.

With three successfully running units in hand i.e. Mini Blast Furnace, Sinter Plant and Captive Power Plant, and with a hope of revival of general economy and availability of market for its products and availability of raw materials at a reasonable price, your Company aims to improve the top and bottom lines and is hopeful to perform better in the coming years.

### 6. PERFORMANCE OF THE COMPANY (FINANCIAL, OPERATIONAL AND PRODUCT WISE)

During the financial year 2015-16, our Company produced 128,358 MT of Hot Metal in 2015-16 compared to 122,981 MT in the previous year. In 2015-16 the Company sold 130,391 MT of pig iron compared to 120,797 MT to achieve a turnover of ₹ 34,159 Lakhs in comparison to ₹ 46,171 Lakhs in the previous year. In 2015-16, the Company incurred a profit of ₹ 75.16 Lakhs in comparison to ₹ 177 Lakhs in 2014-15. Due to reduction in profits the EPS consequently decreased from ₹ 2.49 to ₹ 1.06 in the current financial year.

Your Company operates in a single segment i.e. Iron & Steel and allied product and the plant is located at Raturia at Angadpur, Durgapur, West Bengal.

### 7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by Statutory as well as Internal Auditor and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

## 'ANNEXURE - C' TO THE DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### 8. HEALTH, SAFETY AND ENVIRONMENT

The Company accords significant importance to health, safety and environment and related issues are taken up on priority basis. The Company ensures compliance of all statutory regulations related to health, safety and environment.

The safety risk is managed by regular Training & Awareness, Permit to Work system, Emergency Planning, Preparedness & Drills, Management of Change, Safety Promotional & Motivational activities, Incident investigation and Analysis and such other practices.

Occupational Health Management is practised by pre-employment health check up and periodic health check up of employees including contractual labour. First Aid training is provided on regular basis and personal protective equipments are made available to employees. High level of emphasis is placed on cleanliness and hygiene within and outside the plant area.

The Company believes in environmental protection and maintaining ecological balance. All discharges are closely monitored and were well within the statutory norms during the year under review.

#### 9. INDUSTRIAL RELATIONS AND HUMAN RESOURCES

Cordial industrial relationship prevailed at the manufacturing unit of the Company during the year 2015-16. The Company continued its focus on development of human capital. At K I C, people are our most important assets and a source of competitive advantage. K I C is committed in creating an open and transparent organisation that is focused on people and their capability, and fostering an environment that enables them to deliver superior performance. Necessary training is imparted periodically to keep the employees abreast with the latest technological development in their area of operations. The Company reviews the performance of the employees periodically to access better accountability and to ensure that the responsibilities are properly undertaken by the employees. Efforts are made to implement best people practices in the Company to foster a culture of learning, belongingness and care in the organisation.

As on 31st March, 2016 the total regular manpower strength of the organisation was 258 employees as compared to 278 employees as on 31st March, 2015.

For and on behalf of the Board of Directors

Place : Kolkata  
Dated : The 30th day of May, 2016

**Radhey Shyam Jalan**  
Chairman and Managing Director

# 'ANNEXURE - D' TO THE DIRECTORS' REPORT

## FORM NO. MGT - 9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

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

#### I. REGISTRATION AND OTHER DETAILS

(i) CIN	L01409WB1986PLC041169
(ii) Registration Date	26th August, 1986
(iii) Name of the Company	K I C Metaliks Limited
(iv) Category/Sub-Category of the Company	Public Company/Limited by shares
(v) Address of the Registered Office and contact details	<p>"Sir RNM House", 3B, Lal Bazar Street, 4th Floor, Room No. 2, Kolkata - 700 001 West Bengal, India Phone : +91-33-3068-8681/83 Fax : +91-33-4001-9636 E-mail : info@kicmetaliks.com Website : www.kicmetaliks.com</p>
(vi) Whether listed Company (Yes/No)	Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	<p>M/s. S. K. Infosolutions Pvt. Ltd. 34/1A, Sudhir Chatterjee Street, Kolkata - 700 006, West Bengal, India Phone : +91-33-2219-4815/6797 Fax : +91-33-2219-4815 E-mail : skcdilip@gmail.com Website : www.skcinfo.com</p>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	Iron & Steel	24101	79.29%
2.	Coke & Coal	19101	20.35%

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

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Karni Syntex Pvt. Ltd. Om Tower, 32, J. L. Nehru Road, 3rd Floor, Room No. 302, Kolkata - 700 071 West Bengal, India	U51109WB1993PTC061138	Holding	58.13	2(46)



## 'ANNEXURE - D' TO THE DIRECTORS' REPORT

### 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 i.e. 1st April, 2015				No. of shares held at the end of the year i.e. 31st March, 2016				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoter and Promoter Group									
1. Indian									
Individual /HUF	–	–	–	–	–	–	–	–	–
Central Government(s)	–	–	–	–	–	–	–	–	–
State Government(s)	–	–	–	–	–	–	–	–	–
Bodies Corporate	3,980,913	0	3,980,913	56.08	4,126,885	0	4,126,885	58.13	2.05
Banks/FI	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Sub-total A(1)	3,980,913	0	3,980,913	56.08	4,126,885	0	4,126,885	58.13	2.05
2. Foreign									
NRIs - Individuals	–	–	–	–	–	–	–	–	–
Other - Individuals	–	–	–	–	–	–	–	–	–
Bodies Corporate	–	–	–	–	–	–	–	–	–
Banks/FI	–	–	–	–	–	–	–	–	–
Any Other	–	–	–	–	–	–	–	–	–
Sub-total A(2)	–	–	–	–	–	–	–	–	–
Total A= A(1)+A(2)	3,980,913	0	3,980,913	56.08	4,126,885	0	4,126,885	58.13	2.05
B. Public Shareholding									
1. Institutions									
Mutual Funds	–	–	–	–	–	–	–	–	–
Banks/FI	–	–	–	–	–	–	–	–	–
Central Government	–	–	–	–	–	–	–	–	–
State Government	–	–	–	–	–	–	–	–	–
Venture Capital Funds	–	–	–	–	–	–	–	–	–
Insurance Companies	–	–	–	–	–	–	–	–	–
FIIs	–	–	–	–	–	–	–	–	–
Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total B(1)	–	–	–	–	–	–	–	–	–
2. Non-Institutions									
Bodies Corporate									
i. Indian	2,680,245	3,600	2,683,845	37.80	2,494,186	3,600	2,497,786	35.18	(2.62)
ii. Overseas	0	200	200	0.00	0	200	200	0.00	0.00

## 'ANNEXURE - D' TO THE DIRECTORS' REPORT

Category of Shareholders	No. of shares held at the beginning of the year i.e. 1st April, 2015				No. of shares held at the end of the year i.e. 31st March, 2016				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Individuals									
i. Individual holding nominal share capital upto ₹ 1 Lakh	288,316	102,056	390,372	5.50	344,969	100,649	445,618	6.28	0.78
ii. Individual holding nominal share capital in excess of ₹ 1 Lakh	40,764	0	40,764	0.57	26,155	0	26,155	0.37	(0.20)
Others (specify)									
NRIs	3,106	0	3,106	0.04	2,556	0	2,556	0.04	(0.01)
Sub-total B(2)	3,012,431	105,856	3,118,287	43.92	2,867,866	104,449	2,972,315	41.87	(2.05)
Total B=B(1)+ B(2)	3,012,431	105,856	3,118,287	43.92	2,867,866	104,449	2,972,315	41.87	(2.05)
C. Shares held by Custodian for									
GDRs	—	—	—	—	—	—	—	—	—
ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	6,993,344	105,856	7,099,200	100.00	6,994,751	104,449	7,099,200	100	Nil

### (ii) Shareholding of Promoters :

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 1st April, 2015			Shareholding at the end of the year i.e. 31st March, 2016			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1.	Karni Syntex Pvt. Ltd.	3,980,913	56.08	Nil	4,126,885	58.13	20.00	2.05
	<b>Total</b>	<b>3,980,913</b>	<b>56.08</b>	<b>Nil</b>	<b>4,126,885</b>	<b>58.13</b>	<b>20.00</b>	<b>2.05</b>

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

Sl. No.	Name of the Holder	Shareholding at the beginning of the year i.e. 1st April, 2015		Cumulative shareholding during the year i.e. 31st March, 2016	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Karni Syntex Pvt. Ltd.</b>				
	<b>At the Beginning of the year</b>	<b>3,980,913</b>	<b>56.08</b>	<b>3,980,913</b>	<b>56.08</b>
	i) 24th April, 2015 (Purchase)	(+) 95,972	1.35	4,076,885	57.42
	ii) 1st May, 2015 (Purchase)	(+) 50,000	0.70	4,126,885	58.13
	<b>At the end of the year</b>	<b>—</b>	<b>—</b>	<b>4,126,885</b>	<b>58.13</b>

## 'ANNEXURE - D' TO THE DIRECTORS' REPORT

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

Sl. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year i.e. 1st April, 2015		Cumulative shareholding during the year i.e. 31st March, 2016	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Flamingo Overseas Pvt. Ltd.</b>				
	<b>At the beginning of the year</b>	<b>610,000</b>	<b>8.59</b>	<b>610,000</b>	<b>8.59</b>
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>610,000</b>	<b>8.59</b>
<b>2.</b>	<b>Maryada Barter Pvt. Ltd.</b>				
	<b>At the beginning of the year</b>	<b>116,800</b>	<b>1.65</b>	<b>116,800</b>	<b>1.65</b>
	Date wise increase/decrease in shareholding during the year				
	i) 17th July, 2015 (Purchase)	(+)1,834	0.02	118,634	1.67
	ii) 28th August, 2015(Purchase)	(+)228,475	3.21	347,109	4.88
	iii) 11th September, 2015 (Purchase)	(+)4,500	0.07	351,609	4.95
	<b>At the end of the year</b>			<b>351,609</b>	<b>4.95</b>
<b>3.</b>	<b>Lily Abasan Pvt. Ltd.</b>				
	<b>At the beginning of the year</b>	<b>250,000</b>	<b>3.52</b>	<b>250,000</b>	<b>3.52</b>
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>250,000</b>	<b>3.52</b>
<b>4.</b>	<b>O. D. Promoters and Credit Pvt. Ltd.</b>				
	<b>At the beginning of the year</b>	<b>250,000</b>	<b>3.52</b>	<b>250,000</b>	<b>3.52</b>
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>250,000</b>	<b>3.52</b>
<b>5.</b>	<b>Pujam Sales &amp; Services Pvt. Ltd.</b>				
	<b>At the beginning of the year</b>	<b>250,000</b>	<b>3.52</b>	<b>250,000</b>	<b>3.52</b>
	Date wise increase/decrease in shareholding during the year				
	i) 17th July, 2015 (Sale)	(-)500	0.01	249,500	3.51
	<b>At the end of the year</b>			<b>249,500</b>	<b>3.51</b>
<b>6.</b>	<b>Saidham Mercantile Pvt. Ltd.</b>				
	<b>At the beginning of the year</b>	<b>280,000</b>	<b>3.94</b>	<b>280,000</b>	<b>3.94</b>
	Date wise increase/decrease in shareholding during the year				
	i) 4th September, 2015 (Sale)	(-)88,453	1.25	191,547	2.69
	ii) 11th September, 2015 (Sale)	(-)39,275	0.55	152,272	2.14
	iii) 30th September, 2015 (Sale)	(-)152,272	2.14	0	0
	iv) 31st March, 2016 (Purchase)	(+)152,272	2.14	152,272	2.14
	<b>At the end of the year</b>			<b>152,272</b>	<b>2.14</b>

## 'ANNEXURE - D' TO THE DIRECTORS' REPORT

Sl. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year i.e. 1st April, 2015		Cumulative shareholding during the year i.e. 31st March, 2016	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>7.</b>	<b>Aay Jay Consultants and Investments Pvt. Ltd.</b>				
	<b>At the beginning of the year</b>	<b>79,059</b>	<b>1.11</b>	<b>79,059</b>	<b>1.11</b>
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>79,059</b>	<b>1.11</b>
<b>8.</b>	<b>Brajdharm Mercantile Pvt. Ltd.</b>				
	<b>At the beginning of the year</b>	-	-	-	-
	Date wise increase/decrease in shareholding during the year				
	i) 18th March, 2016 (Purchase)	(+)70,000	0.98	70,000	0.98
	<b>At the end of the year</b>			<b>70,000</b>	<b>0.98</b>
<b>9.</b>	<b>G.P. Lefin Pvt. Ltd.</b>				
	<b>At the beginning of the year</b>	<b>69,168</b>	<b>0.97</b>	<b>69,168</b>	<b>0.97</b>
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>69,168</b>	<b>0.97</b>
<b>10.</b>	<b>Bhiksu Barter Pvt. Ltd.</b>				
	<b>At the Beginning of the year</b>	<b>24,800</b>	<b>0.35</b>	<b>24,800</b>	<b>0.35</b>
	Date wise increase/decrease in shareholding during the year				
	i) 11th September, 2015 (Purchase)	(+)38,500	0.54	63,300	0.89
	<b>At the end of the year</b>			<b>63,300</b>	<b>0.89</b>
<b>11.</b>	<b>Bluejay Airlines Pvt. Ltd.</b>				
	<b>At the Beginning of the year</b>	<b>115,184</b>	<b>1.62</b>	<b>115,184</b>	<b>1.62</b>
	Date wise increase/decrease in shareholding during the year				
	i) 17th April, 2015 (Sale)	(-)102,000	1.43	13,184	0.19
	ii) 24th April, 2015 (Sale)	(-)13,184	0.19	-	-
	<b>At the end of the year</b>			<b>-</b>	<b>-</b>
<b>12.</b>	<b>Yaduka Financial Services Ltd.</b>				
	<b>At the Beginning of the year</b>	<b>100,469</b>	<b>1.42</b>	<b>100,469</b>	<b>1.42</b>
	Date wise increase/decrease in shareholding during the year				
	i) 28th August, 2015 (Sale)	(-)100,469	1.42	-	-
	<b>At the end of the year</b>			<b>-</b>	<b>-</b>
<b>13.</b>	<b>Khwaish Tradecom Pvt. Ltd.</b>				
	<b>At the Beginning of the year</b>	<b>70,000</b>	<b>0.98</b>	<b>70,000</b>	<b>0.98</b>
	Date wise increase/decrease in shareholding during the year				
	i) 28th August, 2015 (Sale)	(-)70,000	0.98	-	-
	<b>At the end of the year</b>			<b>-</b>	<b>-</b>



## 'ANNEXURE - D' TO THE DIRECTORS' REPORT

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

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year i.e. 1st April, 2015		Cumulative shareholding during the year i.e. 31st March, 2016	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Mr. Radhey Shyam Jalan</b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>			0	0.00
2.	<b>Mr. Barun Kumar Singh<sup>1</sup></b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>			0	0.00
3.	<b>Mr. Suresh Kumar Singhal</b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>			0	0.00
4.	<b>Mr. Laxmi Narayan Sharma</b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>			0	0.00
5.	<b>Ms. Sayantony Banerjee</b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>			0	0.00
6.	<b>Mr. Mukesh Bengani (Chief Financial Officer)</b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>			0	0.00
7.	<b>Mrs. Ruchika Fogla (Company Secretary)</b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>			0	0.00

**Note :**

<sup>1</sup> Mr. Barun Kumar Singh has resigned from the Board w.e.f. 3rd September, 2015.

## 'ANNEXURE - D' TO THE DIRECTORS' REPORT

### V. INDEBTEDNESS

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

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	4,091.51	3,650.00	–	7,741.51
(ii) Interest due but not paid	28.90	3.08	–	31.98
(iii) Interest accrued but not due	–	–	–	–
<b>Total (i + ii + iii)</b>	<b>4,120.41</b>	<b>3,653.08</b>	<b>–</b>	<b>7,773.49</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	411.67	3,799.42	–	4,211.09
• Reduction	(1,104.50)	(3,653.08)	–	(4,757.58)
<b>Net Change</b>	<b>(692.83)</b>	<b>146.34</b>	<b>–</b>	<b>(546.49)</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	3,400.50	3,750.00	–	7,150.50
(ii) Interest due but not paid	27.08	49.42	–	76.50
(iii) Interest accrued but not due	–	–	–	–
<b>Total (i + ii + iii)</b>	<b>3,427.58</b>	<b>3,799.42</b>	<b>–</b>	<b>7,227.00</b>

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

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Radhey Shyam Jalan	Mr. Barun Kumar Singh <sup>1</sup>	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	18.00	7.66	25.66
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	–	–	–
	(c) Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	–	–	–
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission	–	–	–
	(a) As % of profit	–	–	–
	(b) Others, specify	–	–	–
5.	Others, please specify	–	–	–
	<b>Total (A)</b>	<b>18.00</b>	<b>7.66</b>	<b>25.66</b>
	<b>Overall Ceiling as per the Act</b>	₹ 42.00 Lakhs (Calculated as per Section II of Part II of Schedule V of the Companies Act, 2013)		

Note :

<sup>1</sup> Mr. Barun Kumar Singh has resigned from the Board w.e.f. 3rd September, 2015

## 'ANNEXURE - D' TO THE DIRECTORS' REPORT

### B. Remuneration to other Directors :

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Ms. Sayantony Banerjee	Mr. Suresh Kumar Singhal	Mr. Laxmi Narayan Sharma	
1.	Independent Directors				
	(a) Fee for attending Board/Committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2.	Other Non-Executive Directors				
	(a) Fee for attending Board/Committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall Ceiling as per the Act</b>	1% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013			

### C. Remuneration to Key Managerial Personnel, other than MD/Manager/WTD :

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	Company Secretary	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	8.30	5.25	13.55
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	(a) As % of profit	-	-	-
	(b) Others, specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>8.30</b>	<b>5.25</b>	<b>13.55</b>

## 'ANNEXURE - D' TO THE DIRECTORS' REPORT

### VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES :

Type/Name	Section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

For and on behalf of the Board of Directors

Place : Kolkata  
Dated : The 30th day of May, 2016

**Radhey Shyam Jalan**  
Chairman and Managing Director



# 'ANNEXURE - E' TO THE DIRECTORS' REPORT

## FORM NO. MR - 3

### SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**K I C METALIKS LIMITED**  
"Sir RNM House"  
3B, Lal Bazar Street, 4th Floor,  
Room No. 2, Kolkata - 700 001  
West Bengal, India

1. I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **K I C METALIKS 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.
2. Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 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 :
3. 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, 2016 according to the provisions of :
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (N/A)\*
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (N/A)\*
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (N/A)\*
  - (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.
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (N/A)\*
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. (N/A)\*
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (N/A)\*
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (N/A)\* and
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (N/A)\*

(N/A)\* Not applicable to the Company during the audit period

## 'ANNEXURE - E' TO THE DIRECTORS' REPORT

- (vi) Any other laws as may be applicable specifically to the Company.
4. I have also examined compliance with the applicable Clauses of the following :
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Secretarial Standards 1 and 2 are effective from July, 2015, so compliances are done accordingly).
  - (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (BSE).
  - (iii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Effective from 1st December, 2015)
5. To the best of my understanding, I am of the view that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
6. **I further report that :**
- i. Based on the information provided by the Company, its officers and its authorised representatives during the conduct of the audit, and also on the review of the quarterly compliance report by respective department heads/Company Secretary/ CEO taken on record by the Board of Directors of the Company, in my opinion, adequate system and processes and control mechanism exist in the Company to monitor and to ensure the compliance with applicable general laws such as Labour laws, Factories Act, 1948, Industrial Disputes Act, 1947, the Payment of Wages Act, 1936 and Environmental laws.
  - ii. The compliance by the Company of the applicable financial laws, like Direct and Indirect Tax laws, has not been reviewed in this audit since the same have been subject to review by Statutory Auditors and other designated professionals.
7. **I further report that :**
- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - ii. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - iii. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
8. **I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
9. **I further report that** during the audit period the Company has no such specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.
10. This report is to be read with our letter of even date which is annexed as "**Annexure - A**" and forms an integral part of this Report.

For **RAKESH AGRAWAL & CO.**  
*Practicing Company Secretaries*  
 Sd/-

**(Prop: Rakesh Agrawal)**

ACS No. 25326

C P No. 9014

Place : Kolkata

Date : 21st May, 2016

## 'ANNEXURE - E' TO THE DIRECTORS' REPORT

### "ANNEXURE – A" TO THE SECRETARIAL AUDIT REPORT

To,  
The Members,  
**K I C METALIKS LIMITED**  
"Sir RNM House",  
3B, Lal Bazar Street, 4th Floor,  
Room No. 2, Kolkata - 700 001  
West Bengal, India

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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 and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RAKESH AGRAWAL & CO.**  
*Practicing Company Secretaries*  
Sd/-

**(Prop: Rakesh Agrawal)**

ACS No. 25326

C P No. 9014

Place : Kolkata  
Date : 21st May, 2016

# 'ANNEXURE - F' TO THE DIRECTORS' REPORT

## NOMINATION AND REMUNERATION POLICY

### INTRODUCTION AND EFFECTIVE DATE

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and was approved and adopted by the Board of Directors at its meeting held on 28th May, 2014 and as amended by the Board of Directors at its meeting held on 30th May, 2016. This policy shall be operational with immediate effect.

### DEFINITIONS

- **"Board"** : Board means Board of Directors of the Company as constituted from time to time.
- **"Director"** : Director means Directors of the Company.
- **"Committee"** : Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- **"Company"** : Company means **K I C Metaliks Limited**.
- **"Independent Director"** : As provided under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI (LODR) Regulations, 2015" and/or under the Companies Act, 2013 "the Act", 'Independent Director' shall mean a Non-Executive Director, other than a Nominee Director of the Company:
  - A) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - B) (i) who is or was not a promoter of the Company or its holding, subsidiary or associate Company;
  - (ii) who is not related to promoters or Directors in the Company, its holding, subsidiary or associate Company;
  - C) apart from receiving Director's remuneration, has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
  - D) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, amounting to two percent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  - E) who, neither himself nor any of his relatives :
    - i. holds or has held the position of a Key Managerial Personnel or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
    - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
      - a. a firm of Auditors or Company Secretaries in practice or Cost Auditors of the Company or its holding, subsidiary or associate Company; or
      - b. any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;
    - iii. holds together with his relatives two per cent or more of the total voting power of the Company; or
    - iv. is a Chief Executive or Director, by whatever name called, of any non profit organisation that receives twenty five per cent or more of its receipts from the Company, any of its promoters, Directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company;
    - v. is a material supplier, service provider or customer or a lesser or lessee of the Company;
  - F) who is not less than 21 years of age.
- **"Key Managerial Personnel"** : Key Managerial Personnel (KMP) means -
  - (i) the Chief Executive Officer or the Managing Director or the Manager;
  - (ii) the Company Secretary;
  - (iii) the Whole Time Director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the applicable statutory provisions/regulations.

# 'ANNEXURE - F' TO THE DIRECTORS' REPORT

## NOMINATION AND REMUNERATION POLICY

- **"Senior Management Personnel"** : The expression "Senior Management Personnel" (SMP) means personnel of the Company who are members of its core management team excluding Board and comprising all members of management one level below the Executive Directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Act, as may be amended from time to time shall have the meaning respectively assigned to them therein.

### APPLICABILITY

The Policy is applicable to :

- Directors (Executive and Non Executive)
- Key Managerial Personnel (KMP)
- Senior Management Personnel (SMP)

### PURPOSE

The primary objective of the Policy is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, KMP and officials comprising the SMP. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, KMP and SMP.

### ACCOUNTABILITIES

- The Board is ultimately responsible for the appointment of Directors and KMP.
- The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, KMP and the SMP of the Company to the Committee which makes recommendations and nominations to the Board.

### NOMINATION AND REMUNERATION COMMITTEE

#### A) Objectives of the Committee

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, KMP and other employees.
- Formulation of criteria for evaluation of Independent Director and the Board.
- Devising a policy on Board diversity.
- Identify persons who are qualified to become Director and persons who may be appointed in KMP and SMP positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and SMP.

#### B) Constitution of the Committee

- The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirements.
- The Nomination and Remuneration Committee comprises of the following:
  - The Committee shall consist of a minimum three (3) non-executive directors, majority of them being independent.
  - Minimum two (2) members shall constitute a quorum for the Committee meeting.
  - Membership of the Committee shall be disclosed in the Annual Report.
  - Terms of the Committee shall be continued unless terminated by the Board of Directors.

### CHAIRMAN

- Chairman of the Committee shall be an Independent Director.
- Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- Chairman of the Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.



# 'ANNEXURE - F' TO THE DIRECTORS' REPORT

## NOMINATION AND REMUNERATION POLICY

### COMMITTEE MEMBERS' INTERESTS

- A) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- B) The Committee may invite such executives, as it considers appropriate, to be present at its meetings.

### VOTING

- A) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- B) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

### APPOINTMENT OF DIRECTORS/KMP/SMP

#### A) General Appointment Criteria :

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his/ her appointment.
- ii. The Committee should ensure that the person so appointed as Director/Independent Director/KMP/SMP also fulfil the following requirements :
  - a) Shall possess a Director Identification Number;
  - b) Shall not be disqualified under the Act, rules made thereunder, SEBI (LODR) Regulations, 2015 or any other enactment for the time being in force;
  - c) Shall give his written consent to act as a Director;
  - d) Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meeting;
  - e) Shall abide by the Code of Conduct established by the Company for Directors/ KMP/ SMP.
- iii. The Director/Independent Director/KMP/ SMP shall be appointed as per the procedure laid down under the provisions of the Act, rules made thereunder, SEBI (LODR) Regulations, 2015 or any other enactment for the time being in force.

#### B) Additional Criteria for Appointment of Independent Directors :

The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of Regulation 25 of the SEBI (LODR) Regulations, 2015 (as amended from time to time) and the Act.

#### C) Term/Tenure :

The term/tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

#### D) Removal :

Due to reasons for any disqualification mentioned in the Act, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or SMP subject to the provisions and compliance of the said Act, rules and regulations.

#### E) Letters of Appointment :

Each Director/KMP/SMP is required to sign the Letter of Appointment with the Company containing the terms of appointment and the role assigned in the Company.

## 'ANNEXURE - F' TO THE DIRECTORS' REPORT

### NOMINATION AND REMUNERATION POLICY

#### CRITERIA FOR EVALUATION/ASSESSMENT OF DIRECTORS/KMP/ SMP OF THE COMPANY

The evaluation/assessment of the Directors, KMP and the SMP of the Company is to be conducted on an annual basis and to satisfy the requirements of the SEBI (LODR) Regulations, 2015.

##### A) Executive Directors :

The following criteria may assist in determining how effective the performances of the Directors/KMP/SMP have been:

- Leadership and stewardship abilities
- Contributing to clearly define corporate objectives and plans
- Communication of expectations and concerns clearly with subordinates
- Obtain adequate, relevant and timely information from external sources
- Review and approval achievement of strategic and operational plans, objectives, budgets
- Regular monitoring of corporate results against projections
- Identify, monitor and mitigate significant corporate risks
- Assess policies, structures and procedures
- Direct, monitor and evaluate KMP, Senior Officials
- Review management's succession plan
- Effective meetings
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles and monitoring activities of committees
- Review of corporation's ethical conduct

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

##### B) Non-Executive Directors :

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they :

- Act objectively and constructively while exercising their duties;
- Exercise their responsibilities in a bona fide manner in the interest of the Company; devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- Refrain from any action that would lead to loss of his independence;
- Inform the Board immediately when they lose their independence;
- Assist the Company in implementing the best Corporate Governance practices;
- Strive to attend all meetings of the Board of Directors and the Committees;
- Participate constructively and actively in the Committees of the Board in which they are Chairpersons or members;
- Strive to attend the general meetings of the Company;
- Keep themselves well informed about the Company and the external environment in which it operates;
- Do not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;
- Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

## 'ANNEXURE - F' TO THE DIRECTORS' REPORT

### NOMINATION AND REMUNERATION POLICY

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

#### REMUNERATION OF DIRECTORS, KMP AND SMP

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, KMP and other SMP. The Directors, KMP and other SMP salary shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Committee determines individual remuneration packages for Directors, KMP and SMP of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable Companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the workings of the Company and its goods :

#### I. Director/ Managing Director :

##### a) Base Compensation (fixed salaries) :

Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/ non-statutory benefits which are normal part of remuneration package in line with market practices).

##### b) Variable salary :

The Committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

#### II. Non Executive Independent Directors :

The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the Members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other Directors provided that the amount of such fees shall be subject to ceiling/ limits as provided under the Act and rules made thereunder or any other enactment for the time being in force.

The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.

#### III. KMP/SMP etc :

The remuneration payable to the KMP and the SMP shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base and governed by the limits, if any prescribed under the Act and rules made thereunder or any other enactment for the time being in force.

#### POLICY ON BOARD DIVERSITY

The Board shall have the optimum combination of Directors from the different areas/fields like Production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources, etc. or as may be considered appropriate.

The Board shall have at least one Board Member who has accounting or related financial management expertise and at least three Members who are financially literate.

For and on behalf of the Board of Directors

Place : Kolkata

Dated : The 30th day of May, 2016

**Radhey Shyam Jalan**

Chairman and Managing Director

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF  
**K I C METALIKS LIMITED**

## Report on the Financial Statements

We have audited the accompanying financial statements **K I C Metaliks Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

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

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

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

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

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

## Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31, March 2016;
- b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

# INDEPENDENT AUDITORS' REPORT

## Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the '**Annexure - A**' statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that :
  - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016, 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**'; and
  - (g) With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us :
    - i) With reference to Note No. 27 to the financial statements the Company has disclosed the impact of pending litigations on its financial position.
    - ii) The Company did not have long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **AGARWAL MAHESWARI & CO.**  
Chartered Accountants  
Firm Reg. No. 314030E

**D. R. AGARWAL**  
Partner

Membership No. 051484

Place : Kolkata  
Date : 30th Day of May, 2016



## 'ANNEXURE - A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of its Fixed Assets :

- The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets on the basis of available information.
- As explained to us, all the Fixed Assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in name of Company.

2. As explained to us, inventories have been physically verified during the year by the management at reasonable interval and no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.

5. The Company has not accepted any deposits from the public to which directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply.

6. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under Section 148(1) of the Companies Act, 2013 and are of the opinion on that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. According to the information and explanations given to us in respect of statutory dues :

- The undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and to the extent applicable and any other statutory dues to the appropriate authorities have generally been regularly deposited with the appropriate authorities.

There is no undisputed statutory dues payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues were in arrears as at March 31, 2016, for a period of more than six months from the date they became payable.

- According to the information and explanations given to us, there is disputed statutory dues arrear as at March 31, 2016.

Name of the Statute	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act	Cenvat Used	9.27	2005	CESTAT
Central Excise Act	Excise Duty	117.81	2006	CESTAT
WB VAT Act	Statutory form Due	12.68	2011	WB Sales Tax Tribunal
WB VAT Act	Input claim pending	312.31	2012	WB Commercial Tax Appellate & Revision Board
WB VAT Act	Statutory form Due	30.76	2013	Senior Joint Commissioner (Appeal)

8. The Company has not defaulted in repayment of loans or borrowings to any financial institution, banks, government or debenture holders during the year.

9. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that, the Company has not raised any money by way of initial public offer or further public offer(including debt instrument) and term loan during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

## 'ANNEXURE - A' TO THE INDEPENDENT AUDITORS' REPORT

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has provided for managerial remuneration in accordance with the requisite approvals mandated by provision of Section 197 read with Schedule V to the Act.
12. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 & 188 of the Act where applicable and details of such transaction have been disclosed in financial statements as required by the applicable Accounting Standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transaction with Director or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to registered under Section 45-IA of the Reserve Bank of India Act 1934.

For **AGARWAL MAHESWARI & CO.**

*Chartered Accountants*

Firm Reg. No. 314030E

**D. R. AGARWAL**

*Partner*

Membership No. 051484

Place : Kolkata

Date : 30th Day of May, 2016

## 'ANNEXURE - B' TO THE INDEPENDENT AUDITORS' REPORT

(Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013.)(The Act')

We have audited the Internal Financial Controls over financial reporting of **K I C Metaliks Limited** ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's responsibility for internal financial controls

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

### Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on internal financial controls over financial reporting (the 'Guidance Note') and the Standard of Auditing, issued by ICAI and deemed to be prescribe under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by ICAI. Those standard and 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtained audit evidence about the adequacy of the internal financial controls system over the financial reporting and there operating effectiveness. Our audit of the internal financial controls system over the financial reporting includes obtaining an understanding of internal financial controls system over the financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on Auditor's judgment, including the assessment of the risk of material misstatement of financial statement, 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 controls 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 controls 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 transaction and disposition of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of the management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have material effect on the financial statements.

### Inherent limitation of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, includes the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projection of any evaluation of 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 policies or procedures may deteriorate.

## 'ANNEXURE - B' TO THE INDEPENDENT AUDITORS' REPORT

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operate effectively as at 31st March, 2016, 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 **AGARWAL MAHESWARI & CO.**

*Chartered Accountants*

Firm Reg. No. 314030E

**D. R. AGARWAL**

*Partner*

Membership No. 051484

Place : Kolkata

Date : 30th Day of May, 2016

# BALANCE SHEET

as at 31st March, 2016

		(₹ in Lakhs)	
	Note No.	As at 31.03.2016	As at 31.03.2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	5,219.92	5,219.92
Reserves and Surplus	3	3,794.06	3,718.91
		<b>9,013.98</b>	<b>8,938.83</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	3,762.87	4,750.00
Deferred Tax Liabilities (Net)	5	575.12	579.52
Long-Term Provisions	6	65.33	58.65
		<b>4,403.32</b>	<b>5,388.17</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	7	2,008.14	1,615.57
Trade Payables	8	11,786.04	12,284.96
Other Current Liabilities	9	3,653.48	2,518.19
Short-Term Provisions	10	83.11	74.96
		<b>17,530.77</b>	<b>16,493.68</b>
<b>TOTAL</b>		<b>30,948.07</b>	<b>30,820.68</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	11	13,261.33	14,046.33
Intangible Assets	11	23.42	46.85
Capital Work-in-Progress		–	26.27
		13,284.75	14,119.45
Other Non-Current Assets	12	694.81	681.31
		<b>13,979.56</b>	<b>14,800.76</b>
<b>Current Assets</b>			
Inventories	13	8,933.72	12,326.14
Trade Receivables	14	3,570.00	2,443.57
Cash and Bank Balances	15	2,427.36	446.98
Short-Term Loans and Advances	16	1,332.17	154.65
Other Current Assets	17	705.26	648.58
		<b>16,968.51</b>	<b>16,019.92</b>
<b>TOTAL</b>		<b>30,948.07</b>	<b>30,820.68</b>
Significant Accounting Policies	1		

The annexed notes (1 to 38) are an integral part of these financial statements.

In term of our report of even date attached

For **AGARWAL MAHESWARI & CO.**

Firm Registration No. 314030E

Chartered Accountants

**D. R. Agarwal**

Partner

Membership No. 051484

Place : Kolkata

Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors

**Radhey Shyam Jalan**

Chairman & Managing Director

**Mukesh Bengani**  
Chief Financial Officer

**Ruchika Fogla**  
Company Secretary

**Laxmi Narayan Sharma**  
Director



# STATEMENT OF PROFIT & LOSS

for the year ended 31st March, 2016

		(₹ in Lakhs)	
	Note No.	Year ended 31.03.2016	Year ended 31.03.2015
<b>REVENUE</b>			
Revenue from Operations (Net)	18	31,225.71	42,597.17
Other Income	19	320.90	1,693.16
<b>Total Revenue</b>		<b>31,546.61</b>	<b>44,290.33</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	20	19,015.76	25,106.82
Purchase of Stock-in-Trade	21	6,608.21	13,472.44
Changes in Inventories of Finished Goods and Stock-in-Trade	22	483.15	(260.09)
Employee Benefits Expense	23	1,030.56	1,053.46
Finance Costs	24	751.38	1,075.48
Depreciation and Amortization Expense	11	863.39	894.47
Other Expenses	25	2,723.32	2,925.31
<b>Total Expenses</b>		<b>31,475.77</b>	<b>44,267.89</b>
<b>PROFIT BEFORE TAX</b>		<b>70.84</b>	<b>22.44</b>
Tax Expense			
(1) Current Tax [Including ₹ .08 Lakhs (₹ Nil) for earlier year]		13.58	4.28
Less : MAT Credit Entitlement		13.50	4.28
<b>Net Current Tax</b>		<b>0.08</b>	<b>-</b>
(2) Deferred Tax		(4.40)	(154.56)
<b>Total Tax Expenses</b>		<b>(4.32)</b>	<b>(154.56)</b>
<b>PROFIT FOR THE YEAR</b>		<b>75.16</b>	<b>177.00</b>
<b>Earnings per Equity Share in (₹)</b>			
<b>Basic and Diluted</b> (Refer Note 31)		<b>1.06</b>	<b>2.49</b>

The annexed notes (1 to 38) are an integral part of these financial statements.

In term of our report of even date attached

For **AGARWAL MAHESWARI & CO.**

Firm Registration No. 314030E

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**Laxmi Narayan Sharma**  
Director

# CASH FLOW STATEMENT

for the year ended 31st March, 2016

	(₹ in Lakhs)	
	Year ended 31.03.2016	Year ended 31.03.2015
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before Taxes	70.84	22.44
Adjustments for :		
Depreciation and Amortization	863.39	894.47
Loss from sale of Fixed Assets	2.13	(0.16)
Interest Income	(189.91)	(187.77)
Finance Costs	751.38	1,075.48
<b>Operating Profit before Working Capital changes</b>	<b>1,497.83</b>	<b>1,804.46</b>
Adjustments for (increase)/decrease in Operating Assets :		
Inventories	3,392.42	4,634.16
Trade Receivables	(1,126.43)	(1,604.68)
Other Current Assets	(56.68)	762.37
Short-Term Loans & Advances	(1,177.52)	1,771.33
Other Non Current Assets	(13.50)	(4.28)
Adjustments for increase/(decrease) in Operating Liabilities :		
Trade Payables	(498.93)	(2,722.73)
Other Current Liabilities	1,135.29	(2,153.61)
Short-Term Provisions	8.15	(28.29)
Long-Term Provisions	6.68	9.20
Deferred Tax Liability (Net)	(4.40)	(154.56)
<b>Cash generated from Operations</b>	<b>3,162.91</b>	<b>2,313.37</b>
Direct Taxes (Net)	4.32	154.56
<b>Net Cash generated from Operating Activities</b>	<b>3,167.23</b>	<b>2,467.93</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets & Capital Work-in-Progress	(31.68)	(131.37)
Interest Received	189.91	187.77
Cash flow from sale of Fixed Assets	0.86	0.40
<b>Net Cash generated/(used in) from Investing Activities</b>	<b>159.09</b>	<b>56.80</b>

# CASH FLOW STATEMENT

for the year ended 31st March, 2016

	(₹ in Lakhs)	
	Year ended 31.03.2016	Year ended 31.03.2015
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Increase/(Decrease) in Working Capital Loan	392.57	(175.09)
Repayment of Long-Term Borrowings	(1,000.00)	(1,410.00)
Increase/(Decrease) in Deferred payment Liability (Net)	12.87	(0.94)
Change in Bank Balances not considered as Cash and Cash Equivalents	(1,989.55)	94.09
Finance Costs	(751.38)	(1,075.48)
<b>Net Cash (used in)/generated from Financing Activities</b>	<b>(3,335.49)</b>	<b>(2,567.42)</b>
Net increase/(decrease) in Cash & Cash Equivalents	<b>(9.17)</b>	<b>(42.69)</b>
Cash and Cash Equivalents as at the beginning of the year	16.14	58.83
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>6.97</b>	<b>16.14</b>

In term of our report of even date attached

For **AGARWAL MAHESWARI & CO.**

Firm Registration No. 314030E

Chartered Accountants

**D. R. Agarwal**

Partner

Membership No. 051484

Place : Kolkata

Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors

**Radhey Shyam Jalan**

Chairman & Managing Director

**Mukesh Bengani**

Chief Financial Officer

**Ruchika Fogla**

Company Secretary

**Laxmi Narayan Sharma**

Director

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

## Note 1 : SIGNIFICANT ACCOUNTING POLICIES

### a) BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are in accordance with the generally accepted accounting principles in India, with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013.

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/materialized.

### b) FIXED ASSETS AND DEPRECIATION/AMORTIZATION

i) Fixed Assets are stated at cost less net of recoverable taxes, and subsequent improvements thereto including non-recoverable taxes, duties, freight and other incidental expenses related to acquisition and installation are added to the cost of Fixed Assets.

ii) Depreciation on Fixed Assets has been provided on straight line basis over their estimated useful life as specified in the Schedule II of the Companies Act, 2013. Leasehold Assets are amortized over the period of lease. Intangible Assets are amortized over a period of five years.

### c) CAPITAL WORK-IN-PROGRESS

Cost of the Fixed Assets that are not yet ready for their intended use at the Balance Sheet date together with all related expenditures are shown under Capital Work-in-Progress.

### d) REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Sales are recognized on transfer of significant risk and rewards of ownership which generally coincide with the dispatch of the goods. Sales are stated at net of Sales Tax, VAT, trade discount, rebates but include Excise Duty.

### e) INVENTORIES

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the weighted average basis and where applicable, comprises purchase price, freight and handling, non-refundable taxes and duties and other directly attributable costs. Finished products also include Excise Duty on product manufactured.

### f) FOREIGN CURRENCY TRANSACTION

i) **Initial recognition** - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of transaction.

ii) **Conversion** - Foreign currency monetary items are reported using the closing rate. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate on the date of transaction.

iii) **Exchange difference** - Exchange difference arising on the settlement or conversion of monetary Current Assets and Liabilities are recognized as income or as expenses in the year in which they arise.

### g) BORROWING COST

Borrowing costs incurred in relation to the acquisition, construction of assets are capitalized as the part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged as an expense in the year in which these are incurred.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

## h) TAXATION

Provision for tax is made for both current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred Tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods are recognized using the tax rates and tax laws that have been enacted or substantively enacted.

## i) PRIOR PERIOD ADJUSTMENTS

Income and expenditure pertaining to prior period have been accounted under respective heads of Statement of Profit and Loss. However, net effect of such amount, where material is disclosed separately in Notes on Accounts.

## j) IMPAIRMENT OF ASSETS

An asset is considered as impaired in accordance with Accounting Standard - 28 on Impairment of Assets, when at Balance Sheet date there are indications of impairment and the carrying amount exceeds its recoverable amount, the reduction is recognized as an impairment loss in the Statement of Profit and Loss.

## k) EMPLOYEE BENEFITS

- i) Employee benefits of short-term nature are recognized as expense as and when it accrues.
- ii) Employee benefits of long-term nature are recognized as expenses based on actuarial valuation.
- iii) Post employment benefits in the nature of Defined Contribution Plans are recognized as expense as and when it accrues and that in the nature of Defined Benefit Plans are recognized as expenses based on actuarial valuation.
- iv) Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss as income and/or expense.

## l) EARNING PER SHARE

The Company reports Earning Per Share (EPS) in accordance with Accounting Standard - 20. Basic EPS is computed by dividing the net profit for the year by the weighted average number of Equity Shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti dilutive.

## m) CASH FLOW STATEMENT

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard - 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

## n) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

	As at 31.03.2016		As at 31.03.2015	
	(Number)	(₹ in Lakhs)	(Number)	(₹ in Lakhs)
<b>Note 2 : SHARE CAPITAL</b>				
<b>a) Authorised :</b>				
Equity Shares of ₹ 10 each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
Preference Shares of ₹ 10 each	7,50,00,000	7,500.00	7,50,00,000	7,500.00
<b>Total</b>		<b>10,000.00</b>		<b>10,000.00</b>
<b>b) Issued, Subscribed and Fully paid up Equity Shares of ₹ 10 each fully paid up</b>				
Balance at the beginning of the year	70,99,200	709.92	70,99,200	709.92
Add : Additions during the year	-	-	-	-
<b>Balance at the end of the year 'A'</b>	<b>70,99,200</b>	<b>709.92</b>	<b>70,99,200</b>	<b>709.92</b>
<b>7% Redeemable Non-Cumulative Preference Shares of ₹ 10 each fully paid up</b>				
Balance at the beginning of the year	4,51,00,000	4,510.00	4,51,00,000	4,510.00
Add : Additions during the year	-	-	-	-
<b>Balance at the end of the year 'B'</b>	<b>4,51,00,000</b>	<b>4,510.00</b>	<b>4,51,00,000</b>	<b>4,510.00</b>
<b>Total (A+B)</b>		<b>5,219.92</b>		<b>5,219.92</b>
<b>c) Shares held by Holding Company :</b>	<b>Number of shares held</b>	<b>% of shares held</b>	<b>Number of shares held</b>	<b>% of shares held</b>
<b>Equity Shares</b>				
Karni Syntex Pvt. Ltd. (Holding Company)	4,126,885	58.13	3,980,913	56.08
<b>d) List of Shareholders holding more than 5 percent Shares in the Company :</b>				
<b>Equity Shares</b>				
<b>Name of Shareholder</b>	<b>Number of shares held</b>	<b>% of shares held</b>	<b>Number of shares held</b>	<b>% of shares held</b>
i) Karni Syntex Pvt. Ltd. (Holding Company)	4,126,885	58.13	3,980,913	56.08
ii) Flamingo Overseas Pvt. Ltd.	610,000	8.59	610,000	8.59
<b>7% Redeemable Non-Cumulative Preference Shares</b>				
<b>Name of shareholder</b>	<b>Number of shares held</b>	<b>% of shares held</b>	<b>Number of shares held</b>	<b>% of shares held</b>
i) Shivsai Tieup Pvt. Ltd.	6,650,000	14.75	6,650,000	14.75
ii) Prachi Projects Pvt. Ltd.	4,500,000	9.98	4,500,000	9.98
iii) Divya Electronics Pvt. Ltd.	3,850,000	8.54	3,850,000	8.54
iv) Potential Electricals & Electronics Pvt. Ltd.	3,750,000	8.31	3,750,000	8.31
v) Stardox Vinimay Pvt. Ltd.	3,070,000	6.81	3,070,000	6.81
vi) Vivek Tracom Pvt. Ltd.	2,950,000	6.54	2,950,000	6.54
vii) Ushita Trading & Agencies Pvt. Ltd.	2,530,000	5.61	2,530,000	5.61

## Rights, Preferences and Restrictions attached to Shares

- The Equity Shares of the Company have par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. All these Equity Shares have same right with respect to payment of dividend, repayment of capital and voting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of preferential amounts, in proportion to their shareholding.
- The Company has 7% Redeemable Non-Cumulative Preference Shares having a nominal value of ₹ 10 per share. The Preference Shareholders shall have the right to vote on any resolution of the Company directly affecting their rights. The Preference Shares would be redeemable within nineteenth year from the date of allotment however, it may be redeemed at any time after five years from the date of allotment at the option of the Company, subject to approval from statutory bodies and financial institutions,

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

if any. In the case of liquidation, the Preference Shareholder will be preferred over the Equity Shareholder for the distribution of remaining assets of the Company.

	(₹ in Lakhs)	
	As at 31.03.2016	As at 31.03.2015
<b>Note 3 : RESERVES AND SURPLUS</b>		
<b>Capital Redemption Reserve</b>		
Balance at the beginning of the year	300.00	300.00
Add : Additions during the year	-	-
<b>Balance at the end of the year 'A'</b>	<b>300.00</b>	<b>300.00</b>
<b>Securities Premium Reserve</b>		
Balance at the beginning of the year	1,973.88	1,973.88
Add : Additions during the year	-	-
<b>Balance at the end of the year 'B'</b>	<b>1,973.88</b>	<b>1,973.88</b>
<b>Surplus in Statement Of Profit And Loss</b>		
Balance at the beginning of the year	1,445.02	1,349.58
Less : Adjustment for Fixed Asset		81.55
Add : Profit after tax for the year	75.16	177.00
<b>Balance at the end of the year 'C'</b>	<b>1,520.18</b>	<b>1,445.02</b>
<b>Total (A+B+C)</b>	<b>3,794.06</b>	<b>3,718.91</b>

<b>Note 4 : LONG-TERM BORROWINGS</b>		
<b>Term Loans</b>		
From Banks (Secured)	-	1,100.00
From Others (Unsecured)	3,750.00	3,650.00
Deferred Payment Liabilities (Secured)	12.87	-
	<b>3,762.87</b>	<b>4,750.00</b>

The Term loan from Banks are repayable in 20 equal quarterly instalments of ₹ 275.00 Lakhs each commencing from June 2012. The rate of interest on Term loan from Banks varies from 13.95% to 14.65% and secured by way of first charge on entire Fixed Assets of the Company and second charge by way of hypothecation on the entire stocks of inventory, receivables, bills and other chargeable Current Assets of the Company (both present and future) and corporate guarantee of Promoter Company and personal guarantee of Promoter Director. Deferred payment liabilities are secured by way of hypothecation of respective assets, acquired on deferred payment credit basis.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

	(₹ in Lakhs)		
	As at 31.03.2015	Charge/ (Credit) to the Statement of Profit and Loss	As at 31.03.2016
<b>Note 5 : DEFERRED TAX LIABILITIES (NET)</b>			
<b>Deferred Tax Liabilities</b>			
Difference between Book and Tax Depreciation	1,479.18	54.08	1,533.26
<b>Deferred Tax Assets</b>			
Unabsorbed Depreciation & Business Losses as per Income Tax Act	880.64	57.32	937.96
Provision for Employee Benefits	19.02	1.16	20.18
	899.66	58.48	958.14
<b>Deferred Tax Liabilities (Net)</b>	<b>579.52</b>	<b>(4.40)</b>	<b>575.12</b>

	As at 31.03.2016	As at 31.03.2015
<b>Note 6 : LONG-TERM PROVISIONS</b>		
Provision for Employee Benefits	65.33	58.65
	<b>65.33</b>	<b>58.65</b>

<b>Note 7 : SHORT-TERM BORROWINGS</b>		
<b>Loans Repayable on Demand</b>		
Working Capital from Banks (Secured)	2,008.14	1,615.57
	<b>2,008.14</b>	<b>1,615.57</b>

The working capital loans from Banks are secured by way of first charge by way of hypothecation of Current Assets of the Company comprising stock of raw materials, stock-in-process, finished goods, stores and book debts, both present and future and second charge on Fixed Assets of the Company and corporate guarantee of Promoter Company and personal guarantee of Promoter Director.

<b>Note 8 : TRADE PAYABLES</b>		
Total Outstanding due of Creditors	11,786.04	12,284.96
	<b>11,786.04</b>	<b>12,284.96</b>

<b>Note 9 : OTHER CURRENT LIABILITIES</b>		
Current Maturities of Term Loan of Banks	1,375.00	1,375.00
Current Maturities of Deferred Payment Liabilities	4.49	0.94
<b>Other Payables</b>		
Statutory Liabilities	375.29	330.01
Advances from Customers	1,782.41	773.81
Other Payables	39.79	6.45
Interest Payable on Borrowings	76.50	31.98
	<b>3,653.48</b>	<b>2,518.19</b>

<b>Note 10 : SHORT-TERM PROVISIONS</b>		
Provision for Excise Duty	65.34	70.68
Provision for Taxation	17.77	4.28
	<b>83.11</b>	<b>74.96</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

Note 11 : Fixed Assets		GROSS BLOCK				DEPRECIATION/AMORTIZATION			NET BLOCK	
Description	COST as at 31.03.2015	Additions/ Capitalised during the period	Deduction/ Adjustment during the period	Total Cost as at 31.03.2016	Upto 31.03.2015	For the year	Adjustment during the period	Upto 31.03.2016	As on 31.03.2016	As on 31.03.2015
<b>I. TANGIBLE ASSETS</b>										
Lease hold Land	187.19	–	–	187.19	57.91	3.75	–	61.66	125.53	129.28
Building & Shed - Factory	1,648.40	–	–	1,648.40	449.50	50.77	–	500.27	1,148.13	1,198.90
Building - Other	27.24	–	–	27.24	4.10	0.44	–	4.54	22.70	23.14
Plant and Equipments	17,433.88	19.11	–	17,452.99	5,093.42	742.22	–	5,835.64	11,617.35	12,340.46
Furniture and Fixtures	45.80	0.14	–	45.94	37.78	0.87	–	38.65	7.29	8.02
Vehicles	274.45	24.09	6.64	291.90	202.78	16.02	3.65	215.15	76.75	71.67
Office Equipments	34.23	–	–	34.23	24.81	3.37	–	28.18	6.05	9.42
Computers	34.11	14.61	–	48.72	29.41	1.71	–	31.12	17.60	4.70
<b>Total</b>	<b>19,685.30</b>	<b>57.95</b>	<b>6.64</b>	<b>19,736.61</b>	<b>5,899.71</b>	<b>819.15</b>	<b>3.65</b>	<b>6,715.21</b>	<b>13,021.40</b>	<b>13,785.59</b>
<b>Assets Given on Lease</b>										
Building & Shed	256.48	–	–	256.48	119.35	7.77	–	127.12	129.36	137.13
Plant and Equipments	246.38	–	–	246.38	122.78	13.04	–	135.82	110.56	123.60
Furniture and Fixtures	0.15	–	–	0.15	0.14	–	–	0.14	0.01	0.01
Total Assets given on Lease	503.01	–	–	503.01	242.27	20.81	–	263.08	239.93	260.74
<b>Total Tangible Assets</b>	<b>20,188.31</b>	<b>57.95</b>	<b>6.64</b>	<b>20,239.62</b>	<b>6,141.98</b>	<b>839.96</b>	<b>3.65</b>	<b>6,978.29</b>	<b>13,261.33</b>	<b>14,046.33</b>
PREVIOUS YEAR	19,952.25	240.93	4.87	20,188.31	5,194.00	871.05	(76.93)	6,141.98	14,046.33	
<b>II. INTANGIBLE ASSETS</b>										
Computer Software	5.22	–	–	5.22	3.15	1.04	–	4.19	1.03	2.07
Know-How	111.95	–	–	111.95	67.17	22.39	–	89.56	22.39	44.78
<b>Total Intangible Assets</b>	<b>117.17</b>	<b>–</b>	<b>–</b>	<b>117.17</b>	<b>70.32</b>	<b>23.43</b>	<b>–</b>	<b>93.75</b>	<b>23.42</b>	<b>46.85</b>
PREVIOUS YEAR	117.17	–	–	117.17	46.90	23.42	–	70.32	46.85	
<b>GRAND TOTAL</b>	<b>20,305.48</b>	<b>57.95</b>	<b>6.64</b>	<b>20,356.79</b>	<b>6,212.30</b>	<b>863.39</b>	<b>3.65</b>	<b>7,072.04</b>	<b>13,284.75</b>	<b>14,093.18</b>
PREVIOUS YEAR	20,069.42	240.93	4.87	20,305.48	5,240.90	894.47	(76.93)	6,212.30	14,093.18	

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

	(₹ in Lakhs)	
	As at 31.03.2016	As at 31.03.2015
<b>Note 12 : OTHER NON CURRENT ASSETS</b>		
Mat Credit Entitlement	694.81	681.31
	<b>694.81</b>	<b>681.31</b>

<b>Note 13 : INVENTORIES</b>		
<i>(Valued at Cost or Net Realisable Value whichever is lower)</i>		
Raw Materials [Included Goods in Transit ₹ 260.75 Lakhs (previous year ₹ 83.12 Lakhs)]	7,897.45	10,858.17
Finished Goods	610.94	1,099.43
Stores and Spares	425.33	368.54
	<b>8,933.72</b>	<b>12,326.14</b>

<b>Note 14 : TRADE RECEIVABLES</b>		
<i>(Unsecured, Considered Good)</i>		
Outstanding for a period exceeding six months from the due date of payment	87.96	165.30
Others	3,482.04	2,278.27
	<b>3,570.00</b>	<b>2,443.57</b>

<b>Note 15 : CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Cash on Hand	2.80	7.12
Balances with Banks		
In Current Account	4.17	9.02
	<b>6.97</b>	<b>16.14</b>
<b>Other Bank Balances</b>		
In Fixed Deposits Account	2,420.39	430.84
(Pledged with Bank as Margin Money for Letter of Credit & Bank Guarantee)		
	<b>2,427.36</b>	<b>446.98</b>

<b>Note 16 : SHORT-TERM LOANS AND ADVANCES</b>		
<i>(Unsecured, Considered Good)</i>		
Advances to Parties		
(Recoverable in Cash or in Kind or Value to be Received)	1,332.17	154.65
	<b>1,332.17</b>	<b>154.65</b>

<b>Note 17 : OTHER CURRENT ASSETS</b>		
Balance with Revenue Authorities	558.75	495.62
Security Deposit	135.37	152.96
Prepaid Expenses	11.14	-
	<b>705.26</b>	<b>648.58</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

	(₹ in Lakhs)	
	Year ended 31.03.2016	Year ended 31.03.2015
<b>Note 18 : REVENUE FROM OPERATIONS</b>		
Sale of Goods	34,159.24	46,170.89
Less : Excise Duty	2,933.53	3,573.72
Revenue from Operations (Net)	<b>31,225.71</b>	<b>42,597.17</b>
<b>Sales of Goods comprises</b>		
Pig Iron	27,085.51	32,268.40
Coke & Coal	6,953.08	12,376.32
Others	120.65	1,526.17
<b>Total Sale of Goods</b>	<b>34,159.24</b>	<b>46,170.89</b>
<b>Note 19 : OTHER INCOME</b>		
Interest Income	189.91	187.77
Commission Income	-	1,458.84
Lease Rental	36.00	36.00
Liabilities relating to earlier years written back	94.99	10.39
Profit on sale of Fixed Assets	-	0.16
	<b>320.90</b>	<b>1,693.16</b>
<b>Note 20 : COST OF MATERIALS CONSUMED</b>		
<b>Raw Materials Consumed</b>		
Opening Stock	10,858.17	15,806.42
Add : Purchases	16,055.04	20,158.57
	26,913.21	35,964.99
Less : Closing Stock	7,897.45	10,858.17
	<b>19,015.76</b>	<b>25,106.82</b>
<b>Raw Materials Consumption Comprises</b>		
Iron Ore	8,751.07	10,573.63
Coke	9,180.27	13,299.92
Others	1,084.42	1,233.27
<b>Total Raw Material Consumed</b>	<b>19,015.76</b>	<b>25,106.82</b>
<b>Note 21 : PURCHASE OF STOCK-IN-TRADE</b>		
Coke & Coal	6,561.51	12,188.57
Others	46.70	1,283.87
	<b>6,608.21</b>	<b>13,472.44</b>
<b>Note 22 : CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
Closing Stock of Finished Goods	610.94	1,099.43
Opening Stock of Finished Goods	1,099.43	788.69
(Increase)/Decrease in Inventory	488.49	(310.74)
Excise Duty on account of change in stock of Finished Goods (Refer Note 33)	(5.34)	50.65
	<b>483.15</b>	<b>(260.09)</b>



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

	(₹ in Lakhs)	
	Year ended 31.03.2016	Year ended 31.03.2015
<b>Note 23 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages including Bonus	937.02	962.94
Contribution to Provident and other Funds	81.03	77.43
Staff Welfare Expenses	12.51	13.09
	<b>1,030.56</b>	<b>1,053.46</b>
<b>Note 24 : FINANCE COSTS</b>		
Interest Expense	680.01	1,035.58
Other Borrowing Cost	71.37	39.90
	<b>751.38</b>	<b>1,075.48</b>
<b>Note 25 : OTHER EXPENSES</b>		
Consumption of Stores and Spare Parts	808.13	761.58
Power and Fuel	864.74	1,082.92
Rent	10.79	12.58
Repairs to Buildings	0.83	3.12
Repairs to Machinery	68.29	31.36
Insurance	7.28	9.80
Rates and Taxes, excluding Taxes on Income	9.20	22.44
Carriage Outwards	566.36	686.90
Commission on sales	47.91	50.84
Loss on sale of Fixed Assets	2.13	-
Payment to Auditor		
For Statutory Audit	2.50	2.50
For Taxation Matters	0.50	0.50
For Other Services	0.60	0.23
Miscellaneous Expenses	334.06	260.54
	<b>2,723.32</b>	<b>2,925.31</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

	(₹ in Lakhs)	
	As at 31.03.2016	As at 31.03.2015
<b>Note 26 : CAPITAL AND OTHER COMMITMENTS</b>		
(a) Capital commitments		
Estimated value of contracts in capital account remaining to be executed (net of advances)	Nil	22.06

	As at 31.03.2016	As at 31.03.2015
<b>Note 27 : CONTINGENT LIABILITIES</b>		
(a) Excise Duty Matters	127.08	127.08
(b) Sales Tax & VAT Matters	355.75	324.99
(c) Jharkhand Entry Tax Matters	81.75	81.75
(d) Electricity Matters	97.94	97.94

## Note 28 : EMPLOYEE BENEFITS

Disclosure Pursuant to Accounting Standard - 15 (Revised 2005). The Employee's gratuity scheme is unfunded and the Actuarial Valuation of Gratuity Scheme is prepared as at 31st March, 2016 under revised Accounting Standard - 15 norms and accordingly ₹ 8.63 Lakhs has been provided in the books in the current financial year.

### i) The summary of Key Results Data

	As at 31.03.2016	As at 31.03.2015
<b>Assets/Liabilities</b>		
1. Present Value of Obligation	56.22	49.96
2. Fair Value of Plan Assets	Nil	Nil
3. Net Asset/(Liability) recognized in Balance Sheet	(56.22)	49.96

	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>Employer Expense</b>		
1. Current Service Cost	6.56	5.97
2. Total Employer Expense	8.63	11.59

### ii) Summary of Membership Data

	As at 31.03.2016	As at 31.03.2015
Number of Employees	258	278
Total Monthly Salary (₹ in Lakhs)	15.59	17.11
Average past service	7.47	6.39
Average future service (years)	19.43	20.42

### iii) Summary of Financial Assumption Data

	As at 31.03.2016	As at 31.03.2015
Discount Rate per annum Compound	7.84% p.a.	7.80% p.a.
Rate of increase in salaries	5.00% p.a.	5.00% p.a.
Expected Rate of return on Plan Asset	N.A.	N.A.
Mortality	IALM 06-08 ultimate	IALM 06-08 ultimate
Withdrawal Rate	2.00% p.a.	2.00% p.a.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

The full results of calculations are set out in disclosure table under revised Accounting Standard - 15 is reported below :

## Net Asset/(Liability) recognized in the Balance Sheet - 31st March, 2015

	(₹ in Lakhs)
<b>A. Funded Status</b>	
1. Present value of Defined Benefit Obligation	49.96
2. Fair value of Plan Assets	-
3. Funded status [Surplus/(Deficit)]	(49.96)
4. Effect of Balance Sheet Asset Limit	-
5. Unrecognized Past Service Costs	-
6. <b>Net Asset/(Liability) recognized in Balance Sheet</b>	<b>(49.96)</b>

## Total expense recognized in the Statement of Profit & Loss Year Ended 31st March, 2016

	(₹ in Lakhs)
<b>A. Components of Employer Expense</b>	
1. Current Service Cost	6.55
2. Interest Cost	3.90
3. Expected return of Plan Assets	-
4. Curtailment of Cost/(Credit)	-
5. Settlement Cost/(Credit)	-
6. Amortization of Past Service Cost	-
7. Actuarial Losses/(Gains)	(1.82)
8. <b>Total expense recognized in the Statement of Profit &amp; Loss</b>	<b>8.63</b>
<b>B. Actual Contribution and Benefits Payments for period ended 31st March, 2016</b>	
1. Actual benefit payments	2.36
2. Actual Contributions	2.36

## Net Asset/(Liability) recognized in the Balance Sheet - 31st March, 2016

	(₹ in Lakhs)
<b>A. Funded Status</b>	
1. Present value of Defined Benefit Obligation	56.23
2. Fair value of Plan Assets	-
3. Funded status [Surplus/(Deficit)]	(56.23)
4. Effect of Balance Sheet Asset limit	-
5. Unrecognized Past Service Costs	-
6. <b>Net Asset/(Liability) recognized in Balance Sheet</b>	<b>(56.23)</b>
i) Net Asset/(Liability) recognized in Balance Sheet at beginning period	(49.96)
ii) Employer Expense	8.63
iii) Employer Contribution	2.36
iv) <b>Net Asset/(Liability) recognized in Balance Sheet at end of the period</b>	<b>(56.23)</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

## Reconciliation of Defined Benefit Obligations and Fair Value of Assets

	(₹ in Lakhs)
<b>A. Change in Defined Benefit Obligations</b>	
1. Present value of Defined benefit obligation at beginning of period	49.96
2. Current Service Cost	6.55
3. Interest Cost	3.90
4. Curtailment Cost/(Credit)	-
5. Settlement Cost/(Credit)	-
6. Employee Contribution	-
7. Plan Amendments	-
8. Acquisitions	-
9. Actuarial (Gains)/Losses	(1.82)
10. Benefit Paid	(2.36)
11. Present value of Defined benefit obligation at the end of period	56.23

	(₹ in Lakhs)
<b>B. Change in Fair Value of Assets</b>	
1. Plan Assets at beginning of period	-
2. Expected return on Plan Assets	-
3. Actual gain/(loss) on Plan Assets	-
4. Actual Company Contributions	2.36
5. Employee Contributions	-
6. Benefits Paid	(2.36)
7. Plan Assets at the end of period	-

### Note 29

Based on the risks and returns associated with the business operations and in terms of Accounting Standard - 17, the Company is predominantly engaged in a single reportable segment of Iron and Steel during the year. The risks and returns of manufacturing of pig iron and trading of its raw material are directly associated with Iron and Steel business and hence treated as a single reportable business segment. The other activities for Cement manufacturing is less than 10% of Total Revenue and hence there are no additional disclosures to be made under Accounting Standard - 17, other than those already provided in the financial statements. The Company is operating only within India and hence India is the only geographical segment.

### Note 30 : RELATED PARTY DISCLOSURES

a) List of Related Parties and relationship :

Party	Relationship
<b>I. KEY MANAGERIAL PERSONNEL</b>	
A. Mr. Radhey Shyam Jalan	Managing Director
B. Mr. Barun Kumar Singh*	Executive Director
C. Mr. Mukesh Bengani	Chief Financial Officer
D. Mrs. Ruchika Fogla	Company Secretary
<b>II. RELATED PARTY</b>	
A. Karni Syntex Pvt. Ltd.	Holding Company

\*Resigned from the Board of Directors w.e.f. 3rd September, 2015.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

b] Transactions during the year :

	2015-16	2014-15
	(₹ in Lakhs)	(₹ in Lakhs)
1) With Key Management Personnel		
i) Directors' Remuneration	25.66	36.04
ii) Other KMP Remuneration	13.55	13.02

## Note 31

As required by Accounting Standard - 20 "Earnings per Share", necessary figures are furnished below :

	2015-16	2014-15
	(₹ in Lakhs)	(₹ in Lakhs)
a. Profit/(Loss) after taxation (₹ In Lakhs)	75.16	177.00
b. Weighted average No. of Equity Shares	70,99,200	70,99,200
c. Weighted average No. of Equity Shares for diluted EPS	70,99,200	70,99,200
d. Face value of Equity Shares (₹)	10	10
e. EPS (Basic) (₹)	1.06	2.49
f. EPS (Diluted) (₹)	1.06	2.49

## Note 32

There are no micro, small and medium class enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2016. The above information regarding micro, small and medium class enterprises has been determined to the extent such parties have been identified on the basis of available information with the Company.

## Note 33

Excise Duty on Inventory of Finished Goods represent differential Excise Duty on opening and closing stock of Finished Goods.

## Note 34 : PARTICULARS OF IMPORTED AND INDIGENOUS MATERIALS CONSUMED

Consumption of Raw Materials	2015-16		2014-15	
	(₹ in Lakhs)	%	(₹ in Lakhs)	%
Imported	6,527.55	34.33	7,519.62	29.95
Indigenous	12,488.21	65.67	17,587.20	70.05
<b>Total</b>	<b>19,015.76</b>	<b>100.00</b>	<b>25,106.82</b>	<b>100.00</b>

Consumption of Stores & Spares	2015-16		2014-15	
	(₹ in Lakhs)	%	(₹ in Lakhs)	%
Imported	18.24	2.26	4.85	0.64
Indigenous	789.89	97.74	756.73	99.36
<b>Total</b>	<b>808.13</b>	<b>100.00</b>	<b>761.58</b>	<b>100.00</b>

## Note 35 : C.I.F. VALUE OF IMPORTS

	2015-16	2014-15
	(₹ in Lakhs)	(₹ in Lakhs)
For Materials	10,797.50	18,649.39

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2016

## Note 36

There is no expenditure in foreign currency on account of royalty, know-how, professional and consultancy fees, interest, etc. and there is no earnings in foreign currency during the year.

## Note 37

In the opinion of the Board and to the best of their knowledge and belief, the value of the realization of Current Assets, Loan and Advances, in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

## Note 38

Previous year figures have been re-grouped/re-arranged wherever necessary.

In term of our report of even date attached

For **AGARWAL MAHESWARI & CO.**

Firm Registration No. 314030E

Chartered Accountants

**D. R. Agarwal**

Partner

Membership No. 051484

Place : Kolkata

Dated : The 30th day of May, 2016

For and on behalf of the Board of Directors

**Radhey Shyam Jalan**

Chairman & Managing Director

**Mukesh Bengani**

Chief Financial Officer

**Ruchika Fogla**

Company Secretary

**Laxmi Narayan Sharma**

Director



## Notes

[illegible]

## Notes

[illegible]

[illegible]

## Safe Harbour

The statements made in this Annual Report including the Management's Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "Forward Looking Statements" within the meaning of applicable Securities Laws & Regulations and are based on the currently held beliefs and assumptions of our management, which are expressed in good faith and in their opinion, reasonable. Actual results could differ from those expressed and implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company. Several factors could make a significant difference to the Company's operations which includes climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamities, raw material price changes, domestic supply and prices conditions, Company's success in attracting and retaining Key Personnel, integration and re-structuring activities, general business and economic conditions over which the Company does not have any direct control. Because such statements deal with the future events they are subject to various risks and uncertainties. You are cautioned not to place undue relies on these forward looking statements.

The Company undertakes no obligations to revise or update the forward looking statements, whether as a result of new information, future events or otherwise.



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## K I C METALIKS LIMITED

(CIN : L01409WB1986PLC041169)

**Regd Office** : "Sir RNM House", 3B, Lal Bazar Street,

4th Floor, Room No. 2, Kolkata - 700 001, West Bengal, India; **Ph** : + 91-33-3068 8681/ 8683

**E-mail** : info@kicmetaliks.com; **Website** : www.kicmetaliks.com

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE TWENTY NINTH ANNUAL GENERAL MEETING** of the shareholders of **K I C METALIKS LIMITED** will be held on Thursday, 22nd September, 2016 at 10.00 a.m. at "Rotary Sadan" (Shripati Singhanian Hall), 94/2, Chowringhee Road, Kolkata 700 020, West Bengal, India to transact the following business :

#### AS ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2016, the Report of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Radhey Shyam Jalan (DIN: 00578800) who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of M/s. Agarwal Maheswari & Co., Chartered Accountants, Statutory Auditors of the Company, and to fix their remuneration and to pass, with or without modification(s) the following resolution as an **Ordinary Resolution** :

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to resolution passed by the shareholders at the 27th Annual General Meeting of the Company held on 9th September, 2014, the appointment of M/s. Agarwal Maheswari & Co., Chartered Accountants (Firm Reg. No. 314030E), as the Statutory Auditors of the Company to hold office till the conclusion of next Annual General Meeting, be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2017 as may be recommended by the Audit Committee in consultation with the Auditors."

**"RESOLVED FURTHER THAT** the Board of Directors (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

#### AS SPECIAL BUSINESS :

4. **Ratification of the remuneration of the Cost Auditors of the Company for the financial year 2016-17:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 25,000 plus applicable taxes and out-of-pocket expenses payable to M/s. Patangi & Co., Cost Accountants, (Firm Registration No. 101919), who are appointed as Cost Auditors of the Company to audit the cost records of the Company for the financial year ending 31st March, 2017."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary proper or expedient to give effect to this resolution."

**Registered Office :**  
"Sir RNM House",  
3B, Lal Bazar Street,  
4th Floor, Room No. 2,  
Kolkata - 700 001  
West Bengal, India

By Order of the Board  
For **K I C METALIKS LIMITED**

**Ruchika Fogla**  
Company Secretary

**Dated :** The 30th day of May, 2016 (Membership No. A23339)

#### IMPORTANT NOTES :

1. **A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY.** Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of companies, societies, partnership firms etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization.

Shareholders are requested to note that a person can act as a proxy on behalf of shareholders not exceeding fifty and

holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a shareholder holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Proxy holder shall prove his/her identity at the time of attending the "Meeting".
3. Only bonafide shareholders of the Company whose names appear on the Register of Shareholders/ Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the "Meeting". The Company reserves its right to take all steps as may be deemed necessary to restrict non-shareholders from attending the "Meeting".
4. Shareholders are requested to bring their copies of Annual Report to the "Meeting". Shareholders are also requested to produce the enclosed attendance slip duly filled and signed as per the specimen signature recorded with the Company/ Depository Participant for admission to the "Meeting" Hall.
5. Shareholders, who hold shares in de-materialised form, are requested to bring their Client I.D. and DP I.D. Nos. for easier identification of attendance at the "Meeting".
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.
7. **Updation of Members' Details:**

The format of the Register of Shareholders prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/Registrar and Transfer Agent (RTA) to record additional details of shareholders, including their PAN details, email address, bank details for payment of dividend, etc. Shareholders holding shares in physical form are requested to submit the details to the Company or its RTA. Shareholders holding shares in electronic form are requested to submit the details to their respective Depository Participant.

8. In terms of the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders. Shareholders holding shares in physical form and desirous of availing the above facility are advised to submit their Nominations in Form SH-13 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, which may be obtained from the Company's RTA and is also available at the Company's website at <http://kicmetaliks.com/wp-content/uploads/2016/02/Nomination-Form-SH-13.pdf>. However, in case of demat holdings; the shareholders should approach to their respective Depository Participant(s) for making nominations.
9. The SEBI has vide Circular no. MRD/DoP/Cir-05/2009 dated May 20, 2009 mandated the submission of PAN (Permanent Account Number) by every participant in the security market.

Shareholders holding shares in electronic form/physical form are therefore, requested to submit their PAN to the Company or its RTA.

10. Pursuant to Section 101 and 136 of the Companies Act, 2013 read with the relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their e-mail address either with the Company or with the Depository participant. Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication(s) including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. The Annual Report 2015-16 is being sent through electronic mode only to the shareholders whose e-mail addresses are registered with the Company/Depository Participant(s), unless any shareholder has requested for a physical copy of the same. For the shareholders who have not registered their e-mail addresses, physical copies of the Annual Report 2015-16 are being sent by the permitted mode.
12. Electronic copy of the Notice of the "Meeting" *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the shareholders whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any shareholder has requested for a hard copy of the same. For shareholders who have not registered their e-mail address, physical copies of the Notice of the "Meeting" indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
13. A shareholder desirous of getting any information on the accounts or operations of the Company or on share related matter is requested to forward his/her query(ies) to the Company at least 10 (Ten) days prior to the "Meeting" to enable the management to keep the required information readily available at the "Meeting".
14. **The Register of Shareholders and the Share Transfer Books of the Company will remain closed from 16th September, 2016 to 22nd September, 2016 (both days inclusive).**
15. **A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the "Meeting" under item no. 4 is annexed hereto.**
16. Information about the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

#### **Brief Resume : Mr. Radhey Shyam Jalan**

Mr. Radhey Shyam Jalan (DIN : 00578800) is one of the Directors of the Company since 16th January, 2009. He has been looking after day to day affairs of the Company and



is helping in various ways to improve its performance. Mr. Radhey Shyam Jalan, aged about 36 years is an Associate Chartered Accountant. He has experience in the overall business management and contributes effectively in guiding the Company towards the path of success. Mr. Jalan is not related to any of the Director of the Company.

**Directorship held in other listed companies : NIL**

**Shareholding in K I C Metaliks Limited : NIL**

17. Shareholders who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA, M/s. S. K. Infosolutions Pvt. Ltd. for consolidation into a single folio.

18. The route map of the venue of the "Meeting" is given in the Notice.

**19. Voting through electronic means**

i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the shareholders, the facility to exercise their right to vote on resolutions proposed to be considered at the "Meeting" by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the "Meeting" ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

ii. The "remote e-voting" period will commence at **9.00 a.m. on Monday, 19th September, 2016** and will end at **5.00 p.m. on Wednesday, 21st September, 2016**. During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **15th September, 2016**, may cast their vote by "remote e-voting". The "remote e-voting" module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently.

iii. The facility for voting through ballot paper shall be made available at the "Meeting" and the shareholders attending the "Meeting" who have not cast their vote by "remote e-voting" shall be able to exercise their right at the "Meeting" through ballot paper.

iv. The shareholders who have cast their vote by "remote e-voting" prior to the "Meeting" may also attend the same but shall not be entitled to cast their vote again.

v. Shareholders can opt for only one mode of voting, i.e. either by e-voting or voting at "Meeting". In case

Shareholders cast their votes through both the modes, voting done by e-voting shall prevail and votes cast at "Meeting" shall be treated as invalid.

**The procedure and instructions for shareholders for "remote e-voting" are as under:**

**1. In case of shareholders receiving e-mail from NSDL (for those shareholders whose e-mail addresses are registered with Company/Depositories) :**

- a. Open e-mail and open PDF file viz. "remote E-Voting.pdf" with your client ID or Folio No. as password, containing your user ID and password for remote e-voting. Please note that the password provided is an initial password.
- b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
- c. Click on Shareholder-Login.
- d. Put user ID and password as initial password noted in step (i) above. Click Login.
- e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. Home page of "remote e-voting" opens. Click on "remote e-voting": Active Voting Cycles.
- g. Select "EVEN" of "**K I C Metaliks Limited**".
- h. Now you are ready for "remote e-voting" as Cast Vote page opens.
- i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- j. Upon confirmation, the message "Vote cast successfully" will be displayed.
- k. Once you have voted on the resolution, you will not be allowed to modify your vote.
- l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at **kic.scrutinizer@gmail.com** or **evoting@kicmetaliks.com** with a copy marked to **evoting@nsdl.co.in**.

**2. In case of shareholders receiving Physical copy of Notice of the "Meeting" (for shareholder whose e-mail IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)**

- a. Initial password is provided in the Attendance Slip for the "Meeting".
- b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and remote e-voting user manual for shareholders available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- vii. If you are already registered with NSDL for "remote e-voting" then you can use your existing user ID and password/PIN for casting your vote.
- viii. The Company has appointed **Mrs. Alpana Agarwal (ACS-36445)**, Practising Company Secretary of 10, Seth Parshu Ram Bajaj Road, Block B, Flat No. 206, Liluah, Howrah 711204, West Bengal, India as the Scrutinizer for conducting the entire process including e-voting in a fair and transparent manner.
- ix. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- x. The voting rights of shareholder shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **15th September, 2016**.
- xi. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. **15th September, 2016**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the RTA, M/s. S. K. Infosolutions Pvt. Ltd. at [skcdilip@gmail.com](mailto:skcdilip@gmail.com).  
However, if you are already registered with NSDL for "remote e-voting" then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no: 1800-222-990.
- xii. A person, whose name is recorded in the register of shareholders or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of "remote e-voting" or voting at the "Meeting" through ballot paper.
- xiii. The Chairman shall, at the "Meeting", at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those shareholders who are present at the "Meeting" but have not cast their votes by availing the "remote e-voting" facility.
- xiv. The Scrutinizer shall after the conclusion of voting at the "Meeting", will first count the votes cast at the meeting and thereafter unblock the votes cast through "remote e-voting" in the presence of at least two witnesses not in the employment of the Company and shall submit, not

later than three days of the conclusion of the "Meeting", a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.kicmetaliks.com](http://www.kicmetaliks.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of results by the Chairman or a person authorized by him in writing and will also be communicated to the BSE Limited, where the shares of the Company are listed.

- xv. Subject to receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the "Meeting" i.e. **22nd September, 2016**.
20. Shareholders may also note that the Notice of the "Meeting" and the Annual Report 2015-16 will be available on the Company's website, [www.kicmetaliks.com](http://www.kicmetaliks.com). The physical copies of the Annual Report 2015-16, Notice of the "Meeting" and all documents referred to in the Notice and the Statement under Section 102(1) of the Companies Act, 2013 shall be open for inspection at the Registered Office of the Company on all working days during working hours except Sundays and Public Holidays up to the date of "Meeting".

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

##### ITEM NO. 4 : Ratification of remuneration of M/s. Patangi & Co., Cost Auditors

The Board on the recommendation of the Audit Committee has approved the appointment of M/s. Patangi & Co., Cost Auditors to audit cost records of the Company for the financial year ending 31st March, 2017 at a remuneration of ₹ 25,000/-, excluding service tax and out of pocket expenses.

As per Section 148 of the Act, the remuneration payable as above is to be ratified by the shareholders. Accordingly, the consent of the shareholders is sought for passing the said resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item no.4.

The Board recommends the resolution for your approval.

**Registered Office :**  
"Sir RNM House",  
3B, Lal Bazar Street,  
4th Floor, Room No. 2,  
Kolkata - 700 001  
West Bengal, India

By Order of the Board  
For **K I C METALIKS LIMITED**

**Ruchika Fogla**  
Company Secretary  
(Membership No. A23339)

**Dated :** The 30th day of May, 2016

# K I C METALIKS LIMITED

**ATTENDANCE SLIP**

CIN : L01409WB1986PLC041169

Regd Office : "Sir RNM House", 3B, Lal Bazar Street, 4th Floor, Room No. 2

Kolkata - 700 001, West Bengal, India

Ph : +91-33-3068 8681/3068 8683 Fax : +91-33-4001 9636 E-mail : info@kicmetaliks.com Website : www.kicmetaliks.com

Serial No.

No. of Shares

Name

Name(s) of joint Holder(s),  
if any

Address

Folio/DP ID &amp; Client ID No.

I/We hereby record my/our presence at the **29th Annual General Meeting** held on **Thursday, September 22, 2016** at **10.00 a.m.** at "Rotary Sadan" (Shripati Singhanian Hall), 94/2, Chowringhee Road, Kolkata – 700 020, West Bengal, India.

Name of Proxy (in BLOCK LETTERS)

Signature of Shareholder/Proxy Present

Please cut here and bring the Attendance Slip duly signed, to the meeting and hand it over at the entrance. Duplicate slips will not be issued at the venue of the Meeting.

## ELECTRONIC VOTING PARTICULARS

EVEN (E-voting Event Number)	User ID	PASSWORD / PIN

E-voting facility is available during the following voting period :

Commencement of E-voting	End of E-voting
19 <sup>th</sup> September, 2016, Monday from 09.00 a.m.	21 <sup>st</sup> September, 2016, Wednesday till 05.00 p.m.

Note : Please refer to the AGM Notice for e-voting instructions

# K I C METALIKS LIMITED

**PROXY FORM- MGT.11**

CIN : L01409WB1986PLC041169

Regd Office : "Sir RNM House", 3B, Lal Bazar Street, 4th Floor, Room No. 2,

Kolkata - 700 001, West Bengal, India

Phone : +91-33-3068 8681/3068 8683 Fax : +91-33-4001 9636 E-mail : info@kicmetaliks.com Website : www.kicmetaliks.com

## 29<sup>TH</sup> ANNUAL GENERAL MEETING ON THURSDAY, SEPTEMBER 22, 2016 AT 10.00 A.M.

I/We, being the member(s), holding.....shares of K I C Metaliks Limited hereby appoint :

- |                |              |                |                    |
|----------------|--------------|----------------|--------------------|
| (1) Name ..... | Address..... | Signature..... | or failing him/her |
| E-mail Id..... |              |                |                    |
| (2) Name ..... | Address..... | Signature..... | or failing him/her |
| E-mail Id..... |              |                |                    |
| (3) Name.....  | Address..... | Signature..... | or failing him/her |
| E-mail Id..... |              |                |                    |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **29<sup>th</sup> Annual General Meeting** of the Company, to be held on **Thursday, September 22, 2016 at 10.00 a.m.** at "Rotary Sadan" (Shripati Singhanian Hall), 94/2, Chowringhee Road, Kolkata – 700 020, West Bengal, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business</b>	
1.	Consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 and the Reports of the Board of Directors' and Auditors' thereon.
2.	Re-appointment of Mr. Radhey Shyam Jalan who retires by rotation.
3.	Ratify the appointment of Statutory Auditors and fixing their remuneration.
<b>Special Business</b>	
4.	Ratify remuneration of Cost Auditors of the Company.

Signed this .....day of .....2016

Member's Folio /DP ID & Client ID No.....Signature of Shareholder (s).....

Signature of Proxy holder(s).....

Affix  
Revenue  
Stamp

- Notes:**
- This proxy form, in an order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting, i.e. by **20<sup>th</sup> September, 2016 (10:00 A.M.)**.
  - A Proxy need not be shareholder of the Company.
  - A person can act as a proxy on behalf of shareholder not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company, carrying voting rights. A shareholder holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
  - In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

## Route Map

