

Kilburn Chemicals Ltd. Shantiniketan, 16th Floor, 8, Camac Street, Kolkata 700017, Ph. 033-22828501, Fax: 033-22824627

Date: 08.08.2016

The Secretary  
The Mumbai Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400 001

Dear Sir,

**SUB: KILBURN CHEMICALS LTD- NOTICE, ANNUAL REPORT, ATTENDANCE SLIP & PROXY FORM**

We are sending herewith Kilburn Chemicals Ltd, Notice & Annual Report for 26<sup>th</sup> Annual General Meeting of the Company, scheduled to be held on 06<sup>th</sup> September, 2016 at Bharatiya Bhasha Parishad, 36 A, Shakespeare, Kolkata-17.

This is for your information and record purpose.

Thanking you,  
Yours faithfully,

For **KILBURN CHEMICALS LTD.**

  
**MUKESH SHARMA**  
COMPANY SECRETARY

## **KILBURN CHEMICALS LTD.**

### **NOTICE FOR THE 26TH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 26th Annual General Meeting of the Company will be held on Tuesday, the 6th Day of September, 2016, at Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, Kolkata- 700 017, at 11.00 A.M. to transact the following:

#### **AS ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2016, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Shri. T.M. Patel (DIN: 00031632) who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. To re-appoint and rectification of reappointment of the Auditors and fix their remuneration.

#### **AS SPECIAL BUSINESS**

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

“RESOLVED THAT pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or reenactment(s) thereof, for the time being in force), subject to approval of the members in the General Meeting and subject to approval of the Central Government and such other consents and permissions as may be necessary, and subject to such modifications, variations as may be approved and acceptable to the appointee, the consent of the members of the company be and is hereby accorded for the re- appointment of Mr. S. K. Jalan having DIN No 00015836 as Managing Director of the Company for a period of three years w.e.f . 14.11.2015 and remuneration payable for the aforesaid period on the terms and conditions as recommended by the Remuneration Committee and approved by the Board of directors in its meeting held on 09.11.2015 is set out as under.

**SALARY** Rs.3,00,000/- per month with such revision as the Board may approve from time to time in the Salary grade of Rs.2,75,000/- to Rs.3,75,000/-.

#### **PERQUISITES & ALLOWANCES**

In addition to the above remuneration, Mr. S.K. Jalan shall also be entitled to perquisites and allowances like furnished accommodation, house, and maintenance allowance together with reimbursement of expenses or utilities such as gas, electricity, water furnishings, repairs, medical reimbursement, leave travel concession for self and family as per the rules of the Company. Club fees, medical/personal accident insurance, Leave encashment, benefits of provident fund, gratuity fund, car, telephone etc. and such other perquisites and allowances as may be agreed to by the Board of Directors and Mr. S.K. Jalan.

In case no accommodation is provided to Mr. S.K. Jalan, he shall be paid House Rent Allowance as per rules of the Company subject to a ceiling of 60% of the salary.

#### **COMMISSION**

Such commission on the net profits, as may be agreed upon by the Board of Directors and Mr. S. K. Jalan, for each financial year or part thereof, subject to the condition that the total remuneration i.e. salary, perquisites and commission in any one financial year shall not exceed the limits prescribed or as may be prescribed from time to time under section 197, 198, and other applicable provisions of the Companies Act, 2013, as may be for the time being in force.

#### **REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS**

“RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year

## **KILBURN CHEMICALS LTD.**

during the currency of tenure of service of Shri S. K. Jalan having DIN NO. 00015836 as Managing Director of the company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company/Remuneration Committee of the Board be and is hereby authorized to alter, amend or vary the terms and conditions of appointment including remuneration structure as may be agreed to between the Board of Directors and Shri S. K. Jalan having DIN No. 00015836 subject to the limits within such guidelines or amendments as may be made to the Companies Act, 2013 or subject to approval of the Central Government or such other authority.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to above resolution.”

**“RESOLVED FURTHER THAT** Shri S K Jalan Managing Director and Shri V Vanchi Director of the company be and are hereby severally authorized to file any e form, documents, papers and any other forms to Registrar of Companies, Ministry of Corporate affairs and to any other Statutory authority on behalf of the company as required

5. To appoint Mrs. Mamta Kejriwal (DIN:02697480 ) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and 25 regulation of the Listing obligations and Disclosure requirements (LODR) Regulation 2015 Mrs Mamta Kejriwal (DIN:02697480), who qualifies for being appointed as an Independent directors and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Directors, be and is hereby appointed as an Independent Director of the Company ,not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up the conclusion of 31st Annual General Meeting of the company in the calendar year 2021.”

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

**“RESOLVED THAT** pursuant to provision of the Regulation 23 of (Listing Obligations and Disclosure Requirements) LODR Regulation, 2015 (erstwhile provisions of the revised Clause49 VII of the Listing Agreement) and Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions of the Companies Act 2013 and relevant Rules made there under including any modifications or re-enactment thereof, for the time being in force, and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, the consent of the members of the company be and is hereby accorded to the Board of Directors to ratify/ approve all existing contracts/ arrangements/ agreement entered / to be entered into contracts / transaction(s) of rent agreements with Nirvan Commercial Company limited, CIN No L51909WB1981PLC033871 and with Late B P Jalan (HUF) karta Shri S.K.Jalan as related party within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten percent of the Annual Turn Over of the company in the financial year 2016-17.

**“RESOLVED FURTHER THAT** Shri S.K.Jalan, Managing Director of the company, V Vanchi, Director, Shri Ashim Kumar Dutta, Chief Executive Officer of the Company and Shri Mukesh Sharma Company

## **KILBURN CHEMICALS LTD.**

Secretary of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, undertaking as may be necessary for giving effect to above resolution.

### **Registered Office:**

By Order of the Board  
SHANTINIKETAN  
16th Floor,  
8, Camac Street  
Kolkata- 700 017  
Dated: 13th May, 2016

For **KILBURN CHEMICALS LTD**  
Sd/-  
**MUKESH SHARMA**  
**COMPANY SECRETARY**

### **NOTES**

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend, and to vote in his place. A proxy need not be a member of the Company.
2. The proxy Form to be valid, should be duly stamped, executed and deposited at the registered office of the Company at least forty eight hours before the time fixed for the commencement of the meeting. A Person can act as proxy on behalf of members not exceeding fifty (50) and holding and holding in the aggregate not more than ten percent of the paid up capital of the Company carrying voting rights. A member holding more than ten percent of the Paid up Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholders.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 31st August, 2016 to 6th September, 2016 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the ensuing Annual General Meeting is annexed hereto and forms part of this Notice.
5. The Members are requested to:
  - (a) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. 6, Mangoe lane, 2nd Floor Kolkata -700 001 in respect of their holdings in physical form.
  - (b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
  - (c) Register their email address and changes there in from time to time with M/s. Maheshwari Datamatics Pvt. Ltd. 6, Mangoe lane, 2nd Floor Kolkata -700001, for shares held in physical form and with their respective Depository Participants for shares held in demat form.
6. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting of the Company.
7. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. 6, Mangoe lane, 2nd Floor Kolkata -700001 and have it duly filled and sent back to them.
8. Electronic copy of the Annual Report for 2015-16 is being sent to all Members whose email Ids are

## **KILBURN CHEMICALS LTD.**

registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 is being sent in the permitted mode.

9. Electronic copy of the Notice of the 26th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email ids are registered with the Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their e- mail addresses, physical copies of the Notice of 26th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Details under Regulation 27 of the LODR, 2015 with the Stock Exchange in respect of the Directors seeking appointment / reappointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re appointment.
11. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website **www.kilburnchemicals.com** for their download.
12. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with M/s. Maheshwari Datamatics Pvt. Ltd. 6 Mangoe lane, 2nd Floor Kolkata -700 001. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will as per Section 125 (2) of the Companies Act, 2013 be transferred to the Investor Education Protection Fund.
13. Voting through Electronic means:
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise means and the business may be transacted through e-voting services by Central Depository Services Limited (CDSL). The instructions for e-voting are as under:

The Notice of the 26th Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-voting process along with printed Attendance slip and Proxy Form is being dispatched to all the Members. The voting particulars are provided at the bottom of the Attendance slip for the 26th Annual General Meeting.

    - a. Log on to the e-voting website: **www.evotingindia.com** during the voting period.
    - b. Click on **:SHAREHOLDERS**" tab
    - c. Now enter your **USER ID** (as mentioned in the Attendance Slip)
      - i. For CDSL: 16 digits beneficiary ID.
      - ii. FOR NSDL: 8 Characters DP ID followed by 8 digits client ID
      - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
    - d. Next enter the Image verification as displayed and Click on LOGIN.
    - f. If you are holding shares in Demat Form and has logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.
    - g. However, if you are a first time user, please use the E-Voting particular provided in the attendance Slip and fill up the same in the appropriate boxes.
    - h. After entering these details appropriately, click on "SUBMIT "tab.
    - i. Members holding shares in physical form will then reach directly the Company selection screen.



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However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which their are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- j. For members holding shares in physical form, the details in attendance slip can be used only for e-voting on the resolutions contained in this Notice.
  - k. Click on the EVSN "**KILBURN CHEMICALS LTD**" for which you choose to vote.
  - l. On the voting page, you will see "**RESOLUTION DESCRIPTION**" and against the same the option "**YES/NO**" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option No implies that you dissent to the Resolution.
  - m. Click on the "**RESOLUTION FILE LINK**" if you wish to view the entire Resolutions.
  - n. After selecting the resolution you have decided to vote on click on "**SUBMIT**". A confirmation box will be displayed. If you wish to confirm your vote, click "**OK**", else to change your vote, click on "**CANCEL**" and accordingly modify your vote.
  - o. Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify the vote.
  - p. You can also take out print out of the voting done by you clicking on "**CLICK HERE TO PRINT**" option on the voting page.
  - q. If Demat account holders have forgotten the changed password then enter the USER ID and image verification code (CAPTCHA CODE) click on Forgot Password and enter the details as prompted by the system.
  - r. Institutional Shareholders (i.e. other than Individuals, HUF, and NRI etc) are required to log on to [http:// www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
    - They should submit a scanned copy of the registration form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
    - After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Authorised Person/Custodian, if any, in PDF Format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQ) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) You can also contact the helpdesk on the toll free number: 1800-200-5533.
- III. The Remote E-Voting period begins from 2nd September, 2016 (9.00 A.M.) (IST) and ends on 5th September, 2016 (5.00 P.M.)(IST) During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of 30th August, 2016 may cast their vote electronically.
- The E-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the shareholders by electronic means, the shareholders shall not be allowed to change it subsequently or cast his vote by any other means.
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity capital of the Company as on the cut-of/entitlement date of 30th August, 2016.

## **KILBURN CHEMICALS LTD.**

- V. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Polling Paper.
- VI. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- VII. Mr. Sunil Kumar Banerjee (Membership No.FCS 4652) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period in block the votes in the presence of at least (2) witnesses not in the employment of the Company and make scrutinizer's report of the votes cast in favour or against, if, any, forthwith. The results shall be declared on or after the 26th Annual General Meeting of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be communicated to CDSL and Bombay Stock Exchange on or after 8th September, 2016.
14. Members are hereby informed that Dividends which remain unpaid or unclaimed over a period of 7 years have to be transferred by the Company to Investor Education & Protection Fund (IEPF) constituted by the Central Government under section 123 and 125 of the Companies Act, 2013. Further under the amended provisions of section 124 of the Companies Act, 2013, no claim shall lie for the unclaimed dividend from IEPF or from the company by the shareholders.

### **Registered Office:**

By Order of the Board  
SHANTINIKETAN  
16th Floor,  
8, Camac Street  
Kolkata- 700 017  
Dated: 13th May, 2016

For **KILBURN CHEMICALS LTD**  
Sd/-  
**MUKESH SHARMA**  
**COMPANY SECRETARY**

## **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (ERSTWHILE SECTION 173 OF THE COMPANIES ACT, 1956)**

### **ITEM NO 4.**

The Board of directors, based on the recommendation of the Nomination and Remuneration Committee at its meeting held on 14.11.2015 reappointed Shri S.K. Jalan as Managing Director of the Company with effect from 14.11.2015 for a period of three year on such remuneration and terms and conditions as set out in the resolution no.4

Keeping in view that Shri S.K.Jalan has rich and varied experience in the industry and has been involved in the operations of the company, it would be in the interest of the company to reappoint him as Managing Director of the Company.

The brief resume of Shri S.K.Jalan are provided in the statement giving details under Listing Obligation and Disclosure Requirement (LODR) regulation 2015 in respect of Directors proposed to be appointed / re-appointed ,annexed to this notice.

Pursuant to the provisions of section 196, 197, 198, 203 and any other applicable provisions, if any, of the companies Act, 2013 and the rules framed there under read with Schedule V of the Companies Act, 2013,the appointment and remuneration of Managing Director requires approval of shareholders in General Meeting by way of a Ordinary Resolution.

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Shri Sandeep Kumar Jalan Managing Director of the company is not liable to be retire by rotation.

The Board of Directors recommends the resolution at Item no . 4 of the notice for the approval of members of the company by way of Ordinary Resolution.

Shri Sandeep kumar Jalan holding 25355 Equity Shares in the Company.

None of the Other Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in the proposed special resolution except Shri S.K.Jalan.

### **ITEM NO 5.**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

As per second proviso of 4 of The Companies (Appointment and Qualification of Directors)Rules ,2014 required that any intermittent vacancy of Independent Directors shall be filled up by the Board not later than the next Board meeting or three months from the day of vacancy, whichever is later.

The Board of Directors filled the intermittent vacancy of the Independent Directors in their meeting held on 13.02.2015.and has nominated Smt. Mamta Kejriwal (DIN: 02697480) as Independent director of the company w. e f 29.05.2015.to fill the casual vacancy caused due to resignation of Shri P K Bahttacharjee from the Independent Directors of the company w. e .f 28.07.2015.

The Company has received a notice in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of Smt. Mamta Kejriwal for the office of director of the company. She is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act, 2013 and they have given their consent to act as Director.

The company has received a declaration from Smt. Mamta Kejriwal that she meets the criteria of Independence as prescribed both under sub section (6) of section 149 of the Act and under 25 Regulation of Listing Obligations and Disclosure Requirements(LODR) Regulation 2015. In the opinion of the Board, Smt Mamta Kejriwal fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement.

She does not hold any shares of the Company in her name.

The brief resume of Smt. Mamta Kejriwal are provided in the statement giving details under Listing Obligations and Disclosure Requirements(LODR) Regulation 2015 of the Listing Agreement with the stock Exchanges in respect of Directors proposed to be appointed / re-appointed, annexed to this notice.

Except Smt. Mamta Kejriwal, being an appointee, 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.5

The Board of directors commends the Ordinary Resolution set out at Item no. 5 of the Notice for approval by the members.

### **ITEM NO 6**

The Company has entered into an Rental Agreement/Arrangement of “**Saket**”,14,Dover Park, Kolkata-700019, for a Period of 5(Five)Years i.e., from 1st November,2015 till 31st October,2020,with “**Nirvan Commerical Company Ltd.** “(bearing CIN- L51909WB1981PLC033871 )”by virtue of Assent of Legacy due to transfer of Leasehold Right.

Pursuant to Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Rule 15 of the Companies (Meetings of Board and Its Power) Rules 2014 (including any amendment or modification thereof), the company is required to obtain consent of the Board and prior approval of the members by special resolution in case of certain related party transaction exceed such sum as is specified in the rules. The aforesaid Provisions are not applicable in respect of transactions entered into by company in the ordinary course of business on arm length basis.



## **KILBURN CHEMICALS LTD.**

However As per the Regulation 23 of (Listing Obligations and Disclosure Requirements) LODR Regulation, 2015 (erstwhile provisions of the revised Clause 49 VII of the Listing Agreement) approval of the members through Special Resolution is required for all material related party transaction /transactions entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated Turnover of the Company as per the last audited financial statements of the company.

As per section 188 (1) (d) of the companies act 2013 when the value of availing of the services is exceeding 10% of the turnover of the company required approval of the transactions from shareholders by way of the Special Resolution. The details of the transactions entered by the company are given below. The related party transactions may exceed the value of 10 % of the turn over of the company during the current financial year 2016-17 which sought the approval of the members by way of Special Resolution.

- 1. Name of the Related Party :** Nirvan Commercial Company Limited  
(CIN- L51909WB1981PLC033871)
- 2. Name of the Director/KMP who is Related:** MR. Varadarajan Vanchi, Director of the company are common Board Member in both Nirvan Commercial Company Limited and Kilburn Chemicals limited.
- 3. Nature of Relationships:** Mr. Varadarajan Vanchi is a Director and Shareholder in Nirvan Commercial Co.Ltd. and Kilburn Chemicals Ltd.However ,his Shareholding in both the Companies are below 20% and Smt.Divya Jalan wife of Shri Sandeep kumar Jalan, is a whole time director in Nirvan Commercial Co.Ltd.Hence the holding of Mr.Sandeep Jalan with his relatives in Nirvan Commercial Co. Ltd. is more than 2%.
4. Nature of Material terms, Monetary Value and Particulars of contract or arrangement
  - i) Rental Agreement/Arrangement of "Saket", 14, Dover Park, Kolkata-700019, for a Period of 5 (Five) Years i.e., from 1st November, 2015 till 31st October, 2020.
  - ii) Ground Floor Flat shall be used as Guest House of the Company, on a monthly rental which shall be Rs. 20,000/- (Rupees Twenty Thousand only).
  - iii) First Floor Flat shall be used as Office-cum-Residence of the Managing Director of the Company and his family, on a monthly rental which shall be Rs. 60000/- (Rupees Sixty thousand Only) for Office of Managing Director.
- 5. Any other information Relevant to Members for taking decision: NIL**

No Director, key managerial person or their relatives is interested or concerned in the resolutions except Mr. Sandeep Kumar Jalan .

Hence, the Board recommends the aforesaid Resolution for placing the same before the members for their approval.

- 1. Name of the Related Party :** Late B. P. Jalan HUF (Karta Sandeep Jalan)
- 2. Name of the Director/KMP who is Related:** Late B P Jalan Is the Father of Shri Sandeep Kumar Jalan.
- 3. Nature of Relationships:** Both are related with each other.
4. Nature of Material terms, Monetary Value and Particulars of contract or arrangement
  - i) Rental Agreement/Arrangement of "Saket", 14, Dover Park, Kolkata-700019, for a Period of 5 (Five) Years i.e., from 1st November, 2015 till 31st October, 2020.
- 5. Any other information Relevant to Members for taking decision: NIL**

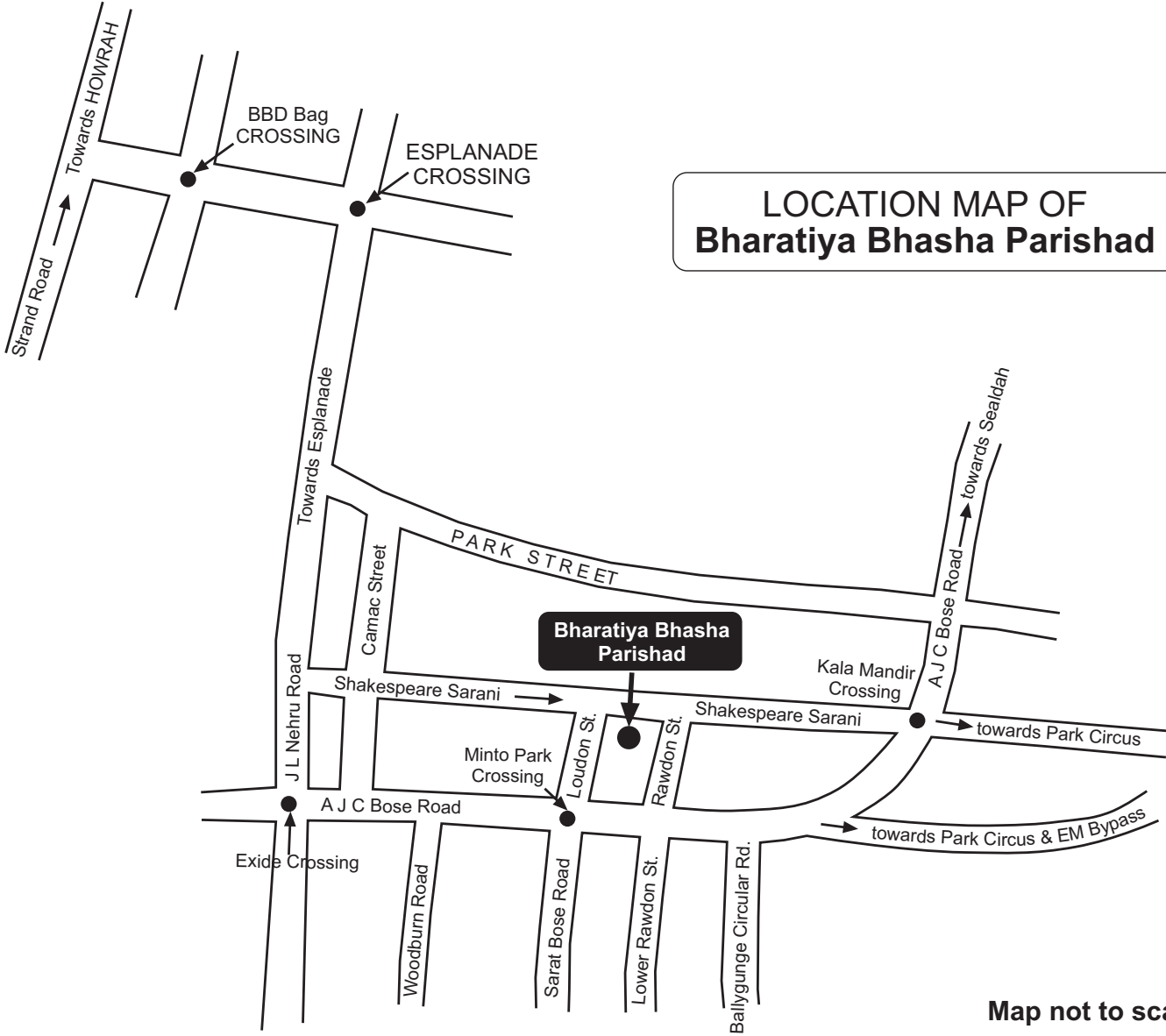
No Director, key managerial person or their relatives is interested or concerned in the resolutions except Mr. Sandeep Kumar Jalan and B.P. Jalan Son (HUF)

Hence, the Board recommends the aforesaid Resolution for placing the same before the members for their approval.

**KILBURN CHEMICALS LTD.****Director seeking appointment/re-appointment in the  
Annual General Meeting Scheduled to be held on 06.09.16**

<b>Name of the Director(s)</b>	<b>Shri. Tushar Mahendra Patel</b>	<b>Smt. Mamta Kejriwal</b>	<b>Shri S.K.Jalan</b>
Age	49 years	46 years	53
Date of Appointment	09.11.2012	13.02.2015	30.01.1992
Expertise in specific Functional Areas	Industrialist	Accounts & Finance	Industrialist
Qualification	B.COM & M.B.A.	B.COM , C.A. & C.S.	B.Com(H) & MBA
List of outside Directorship held	1. Sanrhea Technical Textile Ltd. 2. Tejal Trading Pvt. Ltd. 3. Mahendra Credit & Investment Co. Pvt .Ltd. 4. Avantika Investment Pvt.Ltd. 5. NSI Infinium Global Pvt.Ltd.	1. KCT Trading Pvt.Ltd. 2. Papyrus Recycling Pvt.Ltd.	1. Kilburn Office Automation Ltd 2. The Scootish Assam India Ltd. 3. Just Deserts Ltd. 4. Sandeep Investments Ltd. 5. Surpriya Finance ltd. 6. Kilburn Software Technologies (I) Ltd. 7. Shreyans Investments Pvt. Ltd. 8. Arham Vyappar Pvt.Ltd. 9. Ana Vincom Pvt. Ltd. 10.Sakest fiscal services Pvt. Ltd. 11.Pushpdant Vyapaar Pvt.Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	NIL	Chairman:1.Audit Committee (w.ef.12.02.2016)	Member: 1. Stakeholders Relationship committee
Chairman/Member of the Committees of Director of other Companies in which he is a Director			
(a) Audit Committee	NIL	NIL	NIL
(b) Remuneration Committee	NIL	NIL	NIL
(c) Shareholders/ Investors Grievance Committee	Member: 1. Stakeholders Relationship Committee Sanrhea Technical Textile Ltd.	Member: 1.Stakeholders Relationship Committee Crestia Distributors Pvt. Ltd.	Member: 1.Stakeholders Relationship Committee – Kilburn Office Automation Ltd.

**LOCATION MAP OF  
Bharatiya Bhasha Parishad**



Map not to scale

## KILBURN CHEMICALS LTD.

Regd. Office : Shantiniketan, 16th Floor, 8, Camac Street, Kolkata - 700 017  
**CIN: L24117WB1990PLC199409**  
 Ph.: 033 - 2282- 8501 / 2282- 7722, Fax : 033 - 2282- 4627  
 E.mail : corporate@kilburnchemicals.com; Website : www.kilburnchemicals.com

### 26<sup>TH</sup> ANNUAL GENERAL MEETING

**DATE**  
 TUESDAY, 6<sup>TH</sup> SEPTEMBER, 2016  
**TIME : 11.00 A.M.**  
**Name & Address of Member**

#### ATTENDANCE SLIP

**BHARATIYA BHASHA PARISHAD**  
 CONFERENCE HALL  
 36A, SHAKESPEARE SARANI  
 KOLKATA - 700 017  
 Serial No.

I certify that I am a Member / Proxy for the Member holding  
 Please ✓ in the box

Member     Proxy

\_\_\_\_\_  
 Name of the Proxy in Block Letters

\_\_\_\_\_  
 Signature of Member / Proxy attending

**NOTES :** i) Member / Proxy attending the 26<sup>th</sup> Annual General Meeting (AGM) must bring his / her Attendance Slip which should be signed and deposited before entry to the Main Auditorium.  
 ii) Duplicate Attendance Slip will not be issued at the venue.

#### ELECTRONIC VOTING

Electronic voting (e-voting) facility is being provided in respect of the Resolutions proposed at the AGM, in accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014.

Your e-voting user ID and password are provided below:

Electronic Voting Sequence Number (EVSN)	User ID	Password
<b>160714011</b>		

## KILBURN CHEMICALS LTD.

Regd. Office : Shantiniketan, 16th Floor, 8, Camac Street, Kolkata - 700 017  
**CIN: L24117WB1990PLC199409**  
 Ph.: 033 - 2282- 8501 / 2282- 7722, Fax : 033 - 2282- 4627  
 E.mail : corporate@kilburnchemicals.com; Website : www.kilburnchemicals.com

### 26<sup>TH</sup> ANNUAL GENERAL MEETING

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

#### PROXY FORM

I / We, being the Member(s) of \_\_\_\_\_ shares of Kilburn Chemicals Limited, hereby appoint

(1) Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him

(2) Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him

(3) Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_

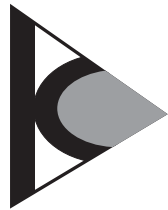
as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 26<sup>th</sup> Annual General Meeting (AGM) of the Company to be held on the Tuesday, 6<sup>th</sup> September, 2016 at 11.00 a.m. at Bharatiya Bhasha Parishad, Conference Hall, 36A, Shakespeare Sarani, Kolkata - 700017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Option (✓)	
		For	Against
<b>Ordinary Business &amp; Ordinary Resolutions</b>			
1	ADOPTION OF THE AUDITED FINANCIAL STATEMENT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016, THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS REPORT THEREON.		
2	APPOINTMENT OF A DIRECTOR IN THE PLACE OF SHRI T. M. PATEL (DIN : 00031632) WHO RETIRES BY ROTATION AT THIS ANNUAL GENERAL MEETING AND BEING ELIGIBLE HAS OFFERED HIMSELF FOR RE-APPOINTMENT.		
3	TO RE-APPOINT AND RECTIFICATION OF REAPPOINTMENT OF THE AUDITORS AND FIX THEIR REMUNERATION.		
<b>Special Business &amp; Ordinary Resolutions</b>			
4	RE-APPOINTMENT OF SHRI S.K.JALAN AS MANAGING DIRECTOR (DIN: 00015836) FOR PERIOD OF THREE YEARS W.E.F. 14.11.2015		
5	TO APPOINT MRS. MAMTA KEJRIWAL (DIN : 02697480) AS AN INDEPENDENT DIRECTOR.		
6	ADOPTION FOR RACTIFICATION/APPROVAL OF ALL EXISTING CONTRACTS /ARRANGEMENTS OF RENT AGRREMENT WITH NIRVAN COMMERCIAL COMPANY LTD.		

Signed this ..... day of ..... 2016    Signature of Member: \_\_\_\_\_

Affix  
Revenue  
Stamp

Note: This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company at Shantiniketan, 16th Floor, 8, Camac Street, Kolkata - 700 017 not less than 48 hours before the commencement of the AGM on 3rd September, 2016, at 11.00 a.m.



**KILBURN CHEMICALS LTD.**

**ANNUAL  
REPORT  
AND  
ACCOUNTS  
2015-2016**

**KILBURN CHEMICALS LTD.**

**DIRECTORS**

S. K. JALAN – Managing Director  
V. VANCHI  
R. CHAUDHRI  
A. CHATRATH  
P.K. BHATTACHARJEE – (Resigned in July '15)  
T. M. PATEL  
M. KEJRIWAL

**C.E.O.**

A. DUTTA

**C.F.O.**

S. SOMANI

**C.S.**

M. SHARMA

**BANKERS**

BANK OF BARODA  
STATE BANK OF INDIA

**AUDITORS**

V. SINGHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
KOLKATA

**REGISTERED &  
CORPORATE OFFICE**

“SHANTINIKETAN”  
16TH FLOOR,  
8, CAMAC STREET,  
KOLKATA-700 017

**REGISTRARS &  
SHARE TRANSFER AGENTS**

MAHESHWARI DATAMATICS PVT. LTD.  
6, MANGOE LANE, 2ND FLOOR,  
KOLKATA-700 001.  
PHONE NO. (033)-2243-5809 / 5029  
FAX NO.(033)-2248-4787  
E-MAIL : mdpldc@yahoo.com



## **DIRECTORS' REPORT**

Your Directors take pleasure in presenting the 26th Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2016.

### **FINANCIAL HIGHLIGHTS**

(Rs. In lacs)

	<b>2015-16</b>	<b>2014-15</b>
Total Revenue	107	137
Gross Operating Profit	462	58
Depreciation for the year	45	82
Profit/ (Loss) Before Extraordinary items and Tax	417	(24)
Profit Before Tax (PBT)	417	(18)
Provision for Tax including Deferred Tax	(64)	(44)
Net Profit After Tax (PAT)	480	26
Add : Surplus / Loss brought forward from previous year	4088	4062
Profit available for Appropriation	4568	4088
Balance carried forward	4568	4088

### **GENERAL REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**

During the year under review the Company has achieved turnover of Rs.107 lacs which solely came from Wind Mills Operations as compared to last year's turnover of Rs. 137 lacs. The figures of turnover are not comparable as the company has sold the Wind Mill Division in the month of September 2015 to VKA Polymers Private Limited, for a consideration of Rs. 15.00 Crores . The company has started setting up a new project for manufacturing Titanium Dioxide at Gujarat (for more details please refer to future outlook). The Company has reported profit after tax (including deferred tax ) of Rs. 480 lacs as compared to Rs 26 lacs during the previous year. This increase in Net Profit is attributed to capital gains on sale of Company's windmill.

### **EQUITY DIVIDEND**

During the year under review the company is setting up Greenfield Project in Gujarat, Directors felt it prudent to plough back the internal accruals in new project and to skip dividend on Equity Shares for the year.

### **FUTURE OUT LOOK**

Your Directors are pleased to report promising progress in the new Project for production of both Anatase and Rutile grade of Titanium Dioxide (annual capacity of 15000 tons) at Dahej, Gujarat. In the Course of the year under review, financial closure for the project was completed and disbursals of loan from the Bank consortium members (Bank of Baroda And State Bank of India) have also commenced.

Land and site development activities are in full swing and work related to construction of the various factory buildings has also started. Some of the important long delivery period capital equipment order have already been placed and the rest of the plant and machinery items are all expected to be delivered in the course of next 12 months, for timely erection and commissioning of the plant.

With almost all necessary regulatory clearances already obtained, and healthy pace of execution of the Project, the Company is hopeful of commencing commercial production within next 15-18 months.

## **KILBURN CHEMICALS LTD.**

### **TRANSFER TO RESERVES**

During the year under review, your directors do not propose to transfer any amount to any reserve. The profit/ loss for the year under review has been shown under the head Reserve and surplus.

### **DEPOSITS**

The company has not accepted any deposit from the public and shareholders falling within the ambit of section 73 of the companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014

### **PARTICULARS OF LOAN GUARANTEES OR INVESTMENTS**

Details of Loan, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013, are given in the notes to the financial Statements.

### **SHARE CAPITAL**

The paid up Equity Share Capital as on March, 31, 2015 was Rs 8.19 Crores. During the year under review, the company has allotted 940000 Equity shares of Rs 10/- each with a premium of Rs 29/- each under preferential allotment basis with no differential voting right and also allotted the 2725000 warrants at an Issue Price of Rs. 39/- each which will be convertible into Equity Shares, with in 18 months from the date of allotment in one or more tranches on exercise of the options. The Amount paid under warrant is 25% of the issued price of Rs 39/- Per warrant and balance amount is payable when the allottee will exercise its options to convert warrants into equity shares. During the year the company has not granted any stock option to employees nor issued any sweat equity shares or buy back of shares of the company.

### **EXTRACT OF THE ANNUAL RETURN**

Pursuant to section 92 (3) of the Companies Act 2013 (the Act) and Rules 12 (1) of the Companies (Management and Administration) Rules 2014, The details forming part of the extract of the Annual Return in the form MGT 9 is annexed herewith as annexure no. 1

### **CONSOLIDATED FINANCIAL STATEMENT**

In accordance with the Companies Act 2013 (the Act) and accounting standard (AS)-21 on Consolidated Financial Statements read with As -23 on accounting for Investments in Associated and As -27 on Financial Reporting of Interests in Joint Ventures, the Audited Consolidated Financial Statement is not applicable to the company as company has no subsidiary, Joint Ventures and Associate company as define in Companies Act, 2013

### **SUBSIDIARIES, JOINTVENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint-Venture and Associate Company as per the Companies Act, 2013.

### **CORPORATE GOVERNANCE**

Pursuant to the provisions contained in the Listing Agreement with Stock Exchanges, a Report on Corporate Governance together with the Auditors' Certificate on the compliance of the conditions of the Corporate Governance is annexed herewith. The Management Discussion and Analysis Report has not been annexed as the company does not have any business after sale of Wind Mill division.

### **CREDIT RATING**

CARE (Credit Analysis and Research Ltd) has assigned Triple B Minus (BBB-). rating on the long term bank facilities of the Company - The rating is valid for a period of one year.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Shri Parag K. Bhattacharjee, (DIN NO.00081899) Independent Director of the company has submitted his resignation on 28.07.2015 due to personnel reason. The Board noted his resignation and recorded its appreciation for contribution made by Shri Parag k. Bhattacharjee during his association with the company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the company, Shri. Tushar M. Patel (DIN: 00031632), Director of the company, retire by rotation at the ensuing

## **KILBURN CHEMICALS LTD.**

Annual General Meeting of the company and being eligible has offered himself for re appointment.

The Board Of Directors in their meeting held on 9 th November, 2015 reappointed Mr. Sandeep kumar Jalan (DIN NO:00051836) as Managing Directors of the company w.e.f. 14th November, 2015 for a period of three years. For reappointment of Shri Sandeep Jalan as Managing Director, the Company requires to obtain the approval of members at the ensuing Annual General Meeting of the company.

The Board of Directors at its meeting held on 9th November, 2015 appointed Mrs Mamta Kejriwal as an Independent Director of the company to hold office five years. Under Section 160 of the Companies Act, 2013 the Company has received requisite notice from the member proposing Mrs. Mamta Kejriwal as a candidature for the office of Independent Director of the company.

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 as per Regulation 25 of Listing Obligations and Disclosure Requirements, Regulation 2015 of the Listing Agreement.

The company has appointed Mr. Ashim Kumar Dutta As Chief Executive Office of the company with effect from 21st March, 2016.

Mr. Sandeep kumar Jalan – Managing Director of the Company, Mr. Ashim Dutta, Chief Executive officer, Mr. Sunil Kumar Somani – Chief Financial Officer and Mr. Mukesh Sharma –Company Secretary are Key Managerial Personnel of the company.

### **PERFORMANCE EVALUATION BOARD EVALUATION**

In Compliance with the Companies Act 2013 and Regulation 17 of the Listing Regulations, the performance evaluation of the Board and its Committees were carried out during the year under review.

More details on the same is given in the Corporate Governance Report.

### **DETAILS OF BOARD AND COMMITTEE MEETING**

During the year under review, the Board of Directors has met 7 times. Details of Audit Committee, Nomination and remuneration committee and Stakeholders' Relationship Committee meeting, its members and their attendance and terms of reference has been provided in the Corporate Governance Report.

The company has already framed a policy on remuneration of Directors and Senior Management Employees. The policy has been approved by the Nomination and Remuneration Committee and the Board . More Details on the same is provided in the Corporate Governance Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors state that :

- A) In the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III of the act, have been followed and there are no material departures from the same.
- B) The Directors have selected such accounting policies and applied them consistently and made judgments' and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit of the company for year ended on that date
- C) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- D) The Directors have prepared the annual accounts on a going concern basis
- E) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- F) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **KILBURN CHEMICALS LTD.**

### **RELATED PARTY TRANSACTIONS**

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act 2013 and the Listing Regulations. There are no materially significant related party transactions made by the company with promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large or which warrants the approval of shareholders. Accordingly no transactions are being reported in Form AOC-2 in terms of section 134 of the act read with Rule -8 of the Companies (Accounts) Rules 2014. The details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained which are of a repetitive nature.

### **CORPORATE SOCIAL RESPONSIBILITY**

In line with the provisions laid down under Section 135 of the Companies Act, 2013 and Rules made thereunder, the company has formed the CSR committee on 13.05.2016. CSR committee will decide the amount to be spent in CSR programs and activities mentioned in Schedule VII of the Companies Act, 2013.

### **VIGIL MECHANISM POLICY**

The Company has in place a Vigil Mechanism also known as whistle Blower policy pursuant to the requirements of The Companies Act, 2013 and the Listing Agreement. The Policy empowers all the stakeholders to raise concerns and provide for adequate safeguards. Any employee and/or person dealing with the company can make a disclosure about any wrong doing in company operations through a e-mail or through telephone or letter to the Chairman of the Audit Committee.

The policy on vigil mechanism or whistle Blower policy may be accessed on the company website at the link [www.kilburnchemicals.com](http://www.kilburnchemicals.com)

### **POLICY ON NOMINATION AND REMUNERATION**

The Company follows a policy on Remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination & Remuneration Committee and the Board. The main objective of the said policy is to ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and senior management employees. The Remuneration Policy for the Directors and senior management employees is given in the Corporate Governance Report.

### **RISK MANAGEMENT**

The Company has formulated risk management Policy which is well defining mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

On continuous basis risks are identified by the functional heads and which discussed at various Committee or group level including Audit Committee and Board of Directors and systematically address to mitigate risk.

### **INTERNAL FINANCIAL CONTROLS**

The company has in place adequate internal financial controls systems with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness was observed.

### **AUDITORS AND AUDITORS' REPORT**

M/s. V. Singhi & Associates, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting of the company and are eligible for reappointment. They have furnished a certificate regarding their eligibility, pursuant to Section 139(1) of the Companies Act, 2013 read with relevant Rules. The Board of Directors recommends their re-appointment for one year.

The Auditors' Report for FY 2015-16 forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

## **KILBURN CHEMICALS LTD.**

The Board of directors has reappointed M/S R C Jhaver & Company, Chartered Accountants as Internal Auditors of the company.

### **SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of section 204 of the Companies Act 2013 read with Rules thereof, the company has re appointed M/s Sunil Kumar Banerjee, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The report of Secretarial Auditor is annexed to this report as annexure-2. There are no adverse observations in the Secretarial Audit Report.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

There are no significant material orders passed by the regulators/ Court/Tribunals which would impact the going concern status of the Company and its future operations .

### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

The Company has, during the year under review, transferred a sum of Rs. 2.07,136/- to Investor Education and Protection Fund, in compliance with the provisions of Section 123, 124 & 125 the companies Act, 2013. The said amount represents dividend for the financial year 2007-2008 which remained unclaimed by the members of the company for a period exceeding 7 years from its due date of payment.

### **PARTICULARS OF EMPLOYEES**

Industrial relations in the Company continued to be cordial and satisfactory. Particulars or details of the employees cover under the provisions of Section 197 of the Companies Act, 2013, read with Rules - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this report as annexure-3

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO**

Statement pursuant to the provisions of section 134 (3)(m) of the Companies Act 2013 read with Rules 8 of the Companies (Accounts) Rules 2014 is annexed herewith as Annexure - 4 Looking to the nature of business carried out by the company is not energy intensive and have not much impact on energy conservation and utilization and investment in the energy conservation equipment and in technology absorption .

### **ACKNOWLEDGEMENT**

Your Directors are grateful for the co-operation and continued guidance and support extended by various agencies of Central Government and State Government (s) and various Government Departments and Agencies, Bank of Baroda., and State Bank of India. Your Directors thank and express their gratitude to various stakeholders i.e customers, dealers, suppliers, advisors and consultants for their committed engagement with the Company. The Directors greatly appreciate the dedicated and sincere services rendered by the employees at all levels. Finally, the Directors express their gratitude to all the Shareholders for their support.

For and on behalf of the Board,

Place : Kolkata

Date : 13th May, 2016

For and on behalf of the Board,

**S. K. JALAN**

MANAGING DIRECTOR

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the Financial Year ended on 31.03.2016

[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 : **L24117WB1990PLC199409**
- (ii) Registration Date : **31.08.1990**
- (iii) Name of the Company : **KILBURN CHEMICALS LTD**
- (iv) Category/Sub-Category of the Company : **COMPANY LIMITED BY SHARES**
- (v) Address of the Registered Office and Contact details : **SHANTINIKETAN, 16TH FLOOR  
8,CAMAC STREET, KOLKATA-700017  
WEST BENGAL, Tel : 033-22828501**
- (vi) Whether Listed Company : YES/NO : **YES**
- (vii) Name, Address and Contact details of Registrar & Transfer Agent, if any : **MAHESHWARI DATAMATICS PVT.LTD.  
6,MANGO LANE,  
(Surendra Mohan Ghosh Sarani)  
2ND FLOOR,KOLKATA- 700001  
Tel : 033-22435029**

**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:-

SI. No.	Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the company
1.	Wind Power Generation (Same was sold in Month of September, 2015)	N.A.	100%

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

SI. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
	NA	NA	NA	NA	NA



**KILBURN CHEMICALS LTD.**

**iv(i). SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31st-March-2016]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	25555	0	25555	0.3120	25555	0	25555	0.2799	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	4204192	0	4204192	51.3332	4204192	940000	5144192	56.3438	22.3586
e) Banks/Fi									
f) Any other									
<b>Sub-total (A)(1)</b>	4229747	0	4229747	51.6452	4229747	940000	5169747	56.6237	22.2236
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
<b>Sub-total (A)(2)</b>	0	0	0	0.0000	0	0	0	0.0000	#DIV/0!
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	4229747	0	4229747	51.6452	4229747	940000	5169747	56.6237	22.2236
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	6700	6700	0.0818	0	6700	6700	0.0734	0.0000
b) Banks/FI	0	1000	1000	0.0122	0	1000	1000	0.0110	0.0000
c) Central Govt	0	0	0	0.0000	100	0	100	0.0011	100.0000
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									

**KILBURN CHEMICALS LTD.**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31st-March-2016]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
<b>Sub-total(B)(1):-</b>	0	7700	7700	0.0940	100	7700	7800	0.0855	1.2987
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1752930	20400	1773330	21.6524	1726381	17900	1744281	19.1049	-1.6381
ii) Overseas									
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1060871	875132	1936003	23.6386	1018587	862432	1881019	20.6026	-2.8401
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	215446	0	215446	2.6306	300471	0	300471	3.2910	39.4646
<b>c) Others (Specify)</b>									
Non Resident Indians	1035	0	1035	0.0126	24122	0	24122	0.2642	2230.6280
Qualified Foreign Investor	22339	0	22339	0.2728	0	0	0	0.0000	-100.0000
Custodian of Enemy Property Foreign Nationals Clearing Members	4400	0	4400	0.0537	2510	0	2510	0.0275	-42.9545
Trusts									
Foreign Bodies-DR									

**KILBURN CHEMICALS LTD.**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31st-March-2016]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Foreign Portfolio Investors									
NBFCs registered with RBI	0	0	0	0.0000	50	0	50	0.0005	100.0000
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
<b>Sub-total(B)(2):-</b>	3057021	895532	3952553	48.2607	3072121	880332	3952453	43.2907	-0.0025
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	3057021	903232	3960253	48.3547	3072221	888032	3960253	43.3762	0.0000
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	7286768	903232	8190000	100.0000	7301968	1828032	9130000	100.0000	11.4774

**iv(ii) SHAREHOLDING OF PROMOTERS**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year[As on 01-Apr-2015]			Share holding at the end of the Year [As on 31-March-2016]			% change in share holding during the year	PAN
		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	SUPRIYA FINANCE LIMITED	879423	10.7378	0.0000	1819423	19.9280	0.0000	106.8883	AAPCS8720B
2	SHREE DURGA AGENCIES LTD	1308170	15.9728	0.0000	1308170	14.3283	0.0000	0.0000	AAECS0556L
3	MARYADA ADVISORY SERVICES PVT LTD	1232457	15.0483	0.0000	1232457	13.4990	0.0000	0.0000	AACCM0957B
4	NIRVAN COMMERCIAL COMPANY LTD	654465	7.9910	0.0000	654465	7.1683	0.0000	0.0000	AAACN9221F
5	SANDEEP INVESTMENTS LIMITED	129677	1.5834	0.0000	129677	1.4203	0.0000	0.0000	AADCS6054J
6	SANDEEP KUMAR JALAN	25000	0.3053	0.0000	25000	0.2738	0.0000	0.0000	AAFHS4476P
7	SANDEEP KUMAR JALAN	255	0.0031	0.0000	355	0.0039	0.0000	39.2157	ACQPJ4806M
8	ALAKA JALAN	100	0.0012	0.0000	100	0.0011	0.0000	0.0000	ACOPJ4203C
9	DIVYA JALAN	100	0.0012	0.0000	100	0.0011	0.0000	0.0000	ACLPJ1478J
10	BAJARANG PRASAD JALAN	100	0.0012	0.0000	0	0.0000	0.0000	-100.0000	ACLPJ0400A
	<b>TOTAL</b>	<b>4229747</b>	<b>51.6453</b>	<b>0.0000</b>	<b>5169747</b>	<b>56.6237</b>	<b>0.0000</b>	<b>22.2236</b>	

**KILBURN CHEMICALS LTD.**

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

Sl. No.	Particulars	Shareholding at the beginning [1-4-2015] / end of the year [31-3-2016]		Cumulative Shareholding during the year [1-4-2015] to [31-3-2016]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	NIRVAN COMMERCIAL COMPANY LTD					AAACN9221F
	4/1/2015	654465	7.9910			
	3/31/2016	654465	7.1683	654465	7.1683	
2	MARYADA ADVISORY SERVICES PVT LTD					AACCM0957B
	4/1/2015	1232457	15.0483			
	3/31/2016	1232457	13.4990	1232457	13.4990	
3	SANDEEP INVESTMENTS LIMITED					AADCS6054J
	4/1/2015	129677	1.5834			
	3/31/2016	129677	1.4203	129677	1.4203	
4	SHREE DURGA AGENCIES LTD					AAECS0556L
	4/1/2015	1308170	15.9728			
	3/31/2016	1308170	14.3283	1308170	14.3283	
5	SANDEEP KUMAR JALAN					AAFHS4476P
	4/1/2015	25000	0.3053			
	3/31/2016	25000	0.2738	25000	0.2738	
6	SUPRIYA FINANCE LIMITED					AAPCS8720B
	4/1/2015	879423	10.7378			
	31/03/2016 - Transfer	940000	10.2957	1819423	19.9280	
7	BAJARANG PRASAD JALAN					ACL PJ0400A
	4/1/2015	100	0.0012			
	09/10/2015 - Transfer	-100	0.0012	0	0.0000	
	3/31/2016	0	0.0000	0	0.0000	
8	DIVYA JALAN					ACL PJ1478J
	4/1/2015	100	0.0012			
	3/31/2016	100	0.0011	100	0.0011	
9	ALAKA JALAN					ACOPJ4203C
	4/1/2015	100	0.0012			
	3/31/2016	100	0.0011	100	0.0011	
10	SANDEEP KUMAR JALAN					ACQPJ4806M
	4/1/2015	255	0.0031			
	04/12/2015 - Transfer	100	0.0012	355	0.0043	
	3/31/2016	355	0.0039	355	0.0039	

**KILBURN CHEMICALS LTD.**

**(iv) Shareholding Pattern of top ten Shareholders**

**(other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Shareholding at the beginning [1-4-2015] / end of the year [31-3-2016]		Cumulative Shareholding during the year [1-4-2015] to [31-3-2016]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	A.G. SHARES AND SECURITIES LIMITED*					AAACA7646M
	4/1/2015	0	0.0000			
	04/12/2015 - Transfer	27000	0.3297	27000	0.3297	
	31/12/2015 - Transfer	619	0.0076	27619	0.3372	
	22/01/2016 - Transfer	-903	0.0110	26716	0.3262	
	31/03/2016 - Transfer	-560	0.0061	26156	0.2865	
2	MCLEOD RUSSEL INDIA LIMITED					AAACE6918J
	4/1/2015	350000	4.2735			
	3/31/2016	350000	3.8335	350000	3.8335	
3	GLOBE CAPITAL MARKET LTD #					AAACG4267G
	4/1/2015	24050	0.2937			
	28/08/2015 - Transfer	5000	0.0611	29050	0.3547	
	04/12/2015 - Transfer	-28900	0.3529	150	0.0018	
	31/12/2015 - Transfer	-50	0.0006	100	0.0012	
	22/01/2016 - Transfer	-100	0.0012	0	0.0000	
	31/03/2016 - Transfer	201	0.0022	201	0.0022	
4	BABCOCK BORSIG LIMITED					AABCD4477A
	4/1/2015	855000	10.4396			
	3/31/2016	855000	9.3647	855000	9.3647	
5	NITYA HOLDINGS & PROPERTIES (P) LTD					AABCN1002B
	4/1/2015	393180	4.8007			
	3/31/2016	393180	4.3065	393180	4.3065	
6	TARZON TRACON PVT LTD					AABCT7675C
	4/1/2015	26398	0.3223			
	3/31/2016	26398	0.2891	26398	0.2891	
7	ANIL KUMAR GOEL					AAJPG2552Q
	4/1/2015	36000	0.4396			
	3/31/2016	36000	0.3943	36000	0.3943	
8	SAIFUDDIN FAKHRUDDIN MIYAJIWALA #					ADVPM2713J
	4/1/2015	20162	0.2462			
	04/12/2015 - Transfer	-5000	0.0611	15162	0.1851	
	31/12/2015 - Transfer	-5000	0.0611	10162	0.1241	
	3/31/2016	10162	0.1113	10162	0.1113	

**KILBURN CHEMICALS LTD.**

Sl. No.	Name	Shareholding at the beginning [1-4-2015] / end of the year [31-3-2016]		Cumulative Shareholding during the year [1-4-2015] to [31-3-2016]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
9	SEEMA GOEL					AHAPG8015A
	4/1/2015	40000	0.4884			
	3/31/2016	40000	0.4381	40000	0.4381	
10	RASHIDA HATIM MIYAJIWALA #					AHLPM5457D
	4/1/2015	20076	0.2451			
	3/31/2016	20076	0.2199	20076	0.2199	
11	J CHENTHILRAJAN					AHZPC0253F
	4/1/2015	30270	0.3696			
	3/31/2016	30270	0.3315	30270	0.3315	
12	SANGEETHA S *					AIJPS3739F
	4/1/2015	8674	0.1059			
	30/06/2015 - Transfer	27561	0.3365	36235	0.4424	
	28/08/2015 - Transfer	50	0.0006	36285	0.4430	
	31/12/2015 - Transfer	505	0.0062	36790	0.4492	
	3/31/2016	36790	0.4030	36790	0.4030	
13	ANURADHA GOLLAMUDI					AKDPG6641A
	4/1/2015	0	0.0000			
	31/12/2015 - Transfer	24942	0.3045	24942	0.3045	
	22/01/2016 - Transfer	2694	0.0329	27636	0.3374	
	31/03/2016 - Transfer	-27636	0.3027	0	0.0000	
14	SUBRAMANIAN P *					AMBPS8931K
	4/1/2015	0	0.0000			
	30/06/2015 - Transfer	13896	0.1697	13896	0.1697	
	28/08/2015 - Transfer	11870	0.1449	25766	0.3146	
	30/09/2015 - Transfer	13241	0.1617	39007	0.4763	
	04/12/2015 - Transfer	1699	0.0207	40706	0.4970	
	31/12/2015 - Transfer	3564	0.0435	44270	0.5405	
	31/03/2016 - Transfer	5201	0.0570	49471	0.5419	

\* Not in the list of Top 10 shareholders as on 01/04/2015 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2016.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2015.



**KILBURN CHEMICALS LTD.**

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

Sl. No.	Name	Shareholding at the beginning [1-4-2015] / end of the year [31-3-2016]		Cumulative Shareholding during the year [1-4-2015] to [31-3-2016]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	SANDEEP KUMAR JALAN					AAFHS4476P
	4/1/2015	25000	0.3053			
	3/31/2016	25000	0.2738	25000	0.2738	
2	VARADARAJAN VANCHI					ABSPV5058Q
	4/1/2015	4000	0.0488			
	3/31/2016	4000	0.0438	4000	0.0438	

**(vi) INDEBTEDNESS**

**Rs. in Lacs**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>				
• Addition	822.50	NIL	NIL	822.50
• Reduction		NIL	NIL	NIL
<b>Net Change</b>	822.50	NIL	NIL	822.50
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	822.50	NIL	NIL	822.50
ii) Interest due but not paid	0.27	NIL	NIL	0.27
iii) Interest accrued but not due	0	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>822.77</b>	<b>NIL</b>	<b>NIL</b>	<b>822.77</b>

**KILBURN CHEMICALS LTD.**

**(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. in Lacs)**

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/Manager	
		S K Jalan	Total Amount
1	Gross Salary		
	(a) Salary as per Provisions contained in section 17 (I) of the Income Tax Act ,1961	36.00	36.00
	(b) Value of Perquisites u/s 17(2) of Income Tax,1961	4.85	4.85
	(c) Profit in lieu of Salary under section 17 (3) Income Tax Act, 1961	0.00	0.00
2	Stock Option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission	0.00	0.00
	- as % of Profit	0.00	0.00
5	Others, please specify	0.00	0.00
	Total	40.85	40.85
	Ceiling As per the Act	42.00	42.00

**B. Remuneration to other Directors:**

**(Rs. in Lacs)**

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. V	Mr. Ranjit	Mr. Anand	Mr. P K	Mr. Tushar	Ms. Mamta	
		Vanchi	Chaudhri	Chatrath	Bhattacharjee	M Patel	Kejriwal	
1.	<b>Independent Directors</b>							
	Fee for attending Board & Committee Meeting	24000	36000	32000	20000	4000	40000	156000
	Commission	0	0	0	0	0	0	0
	Others, specify	0	0	0	0	0	0	0
	Total (1)	24000	36000	32000	20000	4000	40000	156000
2	Other Non Executive Director (2)	NA	NA	NA	NA	NA	NA	NA
	Total Managerial							
	Remuneration =(1+2)	24000	36000	32000	20000	4000	40000	156000
	Overall Ceiling As per the Act							

**KILBURN CHEMICALS LTD.**

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN (Rs. in Lacs)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		C.S.	CFO	CEO	
1	Gross Salary				
	(a) Salary as per Provisions contained in section 17 (I) of the Income Tax Act, 1961	5.10	12.46	2.14	19.70
	(b) Value of Perquisites u/s 17(2) of Income Tax, 1961	0	0	0	0
	(c) Profit in lieu of Salary under section 17 (3) Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission - as % of Profit	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>	<b>5.10</b>	<b>12.46</b>	<b>2.14</b>	<b>19.70</b>

**NOTE** The above figures for remuneration are extracted from 16 of the Individual Managerial Personnel and Key Managerial Personnel for the FY 2015-16.

Whereas the figures for the Managerial remuneration in Corporate Governance Report are prepared on the basis of accrual accounting principle and hence are not comparable

**(viii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ CLB/COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment	NONE	NONE	NONE	NONE	NONE
Compounding	NONE	NONE	NONE	NONE	NONE
<b>B. DIRECTORS</b>					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment	NONE	NONE	NONE	NONE	NONE
Compounding	NONE	NONE	NONE	NONE	NONE
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment	NONE	NONE	NONE	NONE	NONE
Compounding	NONE	NONE	NONE	NONE	NONE

**FORM NO.MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH,2016**

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

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH,2016**

**To,**

**The Members,**

**KILBURN CHEMICALS LIMITED**

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

Based on my verification of 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:

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 :-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended in 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (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; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Employees Provident Fund and Miscellaneous Provisions Act, 1952.
7. Employers Liability Act, 1948.

## KILBURN CHEMICALS LTD.

8. Equal Remuneration Act, 1976.
9. Indian Contract Act, 1972.
10. Income Tax Act, 1961 and Indirect Tax Laws.
11. Indian Stamp Act, 1999.
12. Negotiable Instruments Act, 1881.
13. Payment of Bonus Act, 1965.
14. Payment of Gratuity Act, 1972.
15. Electricity Act, 2003 (for Wind Mill Generation) was applicable to the Company till 19/9/2015.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The erstwhile Listing Agreement entered into by the Company with the Mumbai Stock Exchange which has been replaced by The Securities & Exchange Board of India (Listing Obligations and Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations as placed below as **"ANNEXURE-A"(which forms part of the report)**.

**I further report that** the Board of Directors of the Company is constituted with 1 Managing Director, 3 Non-Executive and Independent Directors and 2 Non-Executive and Non-Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**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.

**I further report that** during the audit period, there are no instances of:-

- (i) Public/Right/ issue of shares / debentures/sweat equity, etc. \*
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 (1)(c) of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.
- (vi) Issue and Listing of Debt Securities.
- (vii) Delisting of Equity Shares.

\*The Company has issued 9,40,000 Equity Shares of Rs.10/- per share at a Premium of Rs. 29/- per share on Cash on Preferential basis to one Promoter Group Company which was allotted on 16-3-2016. The Company has also issued 27,25,000 Equity Share Warrants @Rs.39/- per Equity Share Warrant to five Promoter Group Companies out of which 25% of the total consideration amount has been received by the Company and balance 75% shall be payable at the time of exercise/conversion.

**SUNIL KUMAR BANERJEE**  
**PRACTISING COMPANY SECRETARY**  
**FCS No. : 2189**  
**C P No. : 4652**

**Place : KOLKATA**  
**Date : 13th May, 2016**

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**OBSERVATIONS**

1. Despite the fact that the Company has complied with the provisions, rules, regulations guidelines and standards so far as stated, there has been delay in filing of forms/returns during the year under review. It is felt that the compliance mechanism systems, procedures can be further strengthened and improved.
2. Section 203 of the Companies Act, 2013, in regard to the appointment of Key Managerial Personnel (KMP) has been checked. The Company is having one Managing Director, Chief Financial Officer and Company Secretary.  
The Company has also appointed Chief Executive Officer (CEO) during the year under review.
3. According to the information and explanations given to me, the Company has not accepted any public deposits pursuant to the provisions of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 during the year under review under audit.
4. According to the information and explanations given to me and on checking the records, it was noted that Company had been sanctioned Term Loans amounting to Rs.83 Crores and Rs.83 Crores by State Bank of India and Bank of Baroda for which Charges have been created and filed with MCA. According to the information and explanations given to me, the borrowing power is within the limits as approved by the shareholders.
5. **The Listing Agreement has been replaced by SEBI's (Listing Obligations and Disclosure Requirements), Regulations, 2015**, though the same was not applicable to the Company during the year under audit.  
**Regulation 27** of the **SEBI's LODR Regulations, 2015**, was followed by the Company, though the same was not apparently applicable to the Company during the year under audit.
6. Since the Company was having only 9 (Nine) employees, the Employees Provident Fund and Miscellaneous Provisions Act, 1952 The Employees Pension Scheme, 1995 and Employees State Insurance Act, 1956 are not apparently applicable during the year under audit.
7. According to the information and explanations given to me, no provision has been made in respect of Gratuity for the employees during the year under review. As reported payments are made on cash basis as and when case arises.
8. As explained by the Management, the Company had generated Electricity by way of Wind Power Mill for supply to Tamil Nadu Electricity Board (TNEB). The said segment of business was sold by way of Slump Sale basis on 19/9/2015.  
The Company has not commenced its business operations in Chemicals during the year under review. As such no sector specific law was applicable to the company during the year under review.
9. The Company has transferred Rs. 2,07,136 for the Year 2007-2008 to Investor Education and Protection Fund (IEPF), with a delay of 152 days.
10. **A dispute regarding Income Tax amounting to Rs.6,25,55,590/- and Rs.62,93,330/- for the Assessment Years 2012-13 and 2013-14 has been pending with CIT(A)-Chennai.**
11. As explained and declared by the Management, the Related Party Transactions under Section 188 of the Companies Act, 2013 are maintained at arms' length.
12. Since the Company is not engaged in manufacturing activities during the year review, the Pollution Control laws are not apparently applicable.

**SUNIL KUMAR BANERJEE**  
**PRACTISING COMPANY SECRETARY**  
FCS No. : 2189  
C P No. : 4652

Place : KOLKATA  
Date : 13th May, 2016

**REMUNERATION AND OTHER SPECIFIED PARTICULARS OF EMPLOYEES**

As per the provisions of section 197 of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and remuneration of Managerial Personnel) Rules 2014.

<b>i The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year</b>	ratio of remuneration to median remuneration of employees for 2015-16
Managing Director Shri Sandeep Kumar Jalan	6.81:1
Except Shri Sandeep Kumar Jalan all other directors are not got any remuneration during the financial year except sitting fee.	
<b>ii Percentage increase in remuneration of each Director, Chief Executive Officer Chief Financial Officer and Company Secretary</b>	percentage increase in remuneration in financial year 2015-16
Shri S K Jalan - Managing Director	NIL
Shri Ashim Kumar Dutta (Appointed w.e.f. 21st March, 2016)	NA
Shri Sunil G. Somani - Chief Financial Officer	15% (w.e.f .01.01.2016)
Shri Mukesh Sharma	15% (w.e.f .01.01.2016)
<b>iii Percentage increase in the median remuneration of employees in the financial year</b>	14.62%
<b>iv Number of permanent employees on the roll of company</b>	9
<b>v Explanation on the relationship between average increase in remuneration and company performance</b>	
The Sales turn over of the company has decreased by 28% while the Net Profit Increased by 17.33%	
There is no direct relationship between average increase in remuneration of employee and company performance	
The average increase in the remuneration of employees was primarily due to annual increments	
The company sold the Wind Mill Division on 19.09.2015 and hence turnover and profit are not comparable.	
<b>vi Comparison of the remuneration of the key Managerial Personnel against the performance of the company</b>	
The Sales turn over of the company has decreased by 28% while the Net Profit Increased by 17.33%	
There is no direct relationship between average increase in remuneration of employee and company performance	
The average increase in the remuneration of employees was primarily due to annual increments	
The company sold the Wind Mill Division on 19.09.2015 and hence turnover and profit are not comparable.	
<b>vii Variations in the market capitalisation of the company on bombay stock exchange, price earning ratio as at closing date of the current financial year and previous financial year</b>	Rs In Crores
<b>P E RATIO 31.03.2016</b>	14.15
<b>P E RATIO 31.03.2015</b>	47.97



**KILBURN CHEMICALS LTD.**

Market capitalisation 15-16 (including the share issued during the year)	22.14 CRORES
Market capitalisation 14-15	12.57 CRORES
<b>Percentage increase over decrease in the market quotation of the shares of the company in comparison to the rate at which the company came out with the last public offer (IN 1994 AT RS. 10 PER SHARE)</b>	
The company has issued the share under preferential allotment on 16.03.2016	
<b>viii Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration</b>	
Average percentage increase in managerial remuneration =Nil	
<b>ix Comparison of the remuneration of each Key Managerial Personnel against the performance of the company</b>	as % of Revenue
Shri S K Jalan -Managing Director	38.11%
Shri Ashim Kumar Dutta (Appointed w.e.f. 21.03.2016)	2%
Shri Sunil G. Somani- Chief Financial Officer	11.62%
Shri Mukesh Sharma	4.75%
<b>x Key parameters for any variable component of remuneration availed by the directors</b>	
Allowance to the Managing Director may be very as approved by the Board and approved by the shareholders	
<b>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.</b>	
During the year , Mr. Ashim Dutta CEO of the company received remuneration in excess of the highest paid director.	
<b>xii We affirm that the remuneration paid to the Managerial and non Managerial Personnel is as per the remuneration policy of the company</b>	
The Remuneration paid during the financial year ended 31st March 2016 in terms of the Remuneration Policy of the company	

**KILBURN CHEMICALS LTD.**

**Annexure 3 (sub part) Information to Pursuant to Rule 5 (2) of Chapter XIII of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

The following persons were employed throughout the financial year and was in receipt of remuneration for that year which in the aggregate was not Less than Sixty Lakhs Rupees:-

Name	Designation	Remuneration Received (In Lakhs)	Nature of Employment whether contractual or other wise	Qualification & experience of the employee	Date of commencement of employment	Age (Years)	The Last Employment Held	The % of equity Shares Held	Whether any such employee is a relative of any Director or Manager of the Company & if so, name of such Director /Manager
Mr.Ashim Dutta	C.E.O.	Rs.2.14	Whole Time Employee	B.E.Mechanical & MBA(IIM-Kol) with 32 Yrs Exp	21.03.2016	53	Self Employed	NIL	NO

**ANNEXURE - 4**

**INFORMATION REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES 2014 PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

**(Rs. in lacs)**

<b>(A) Conservation of Energy</b>	
(i) the step taken or impact on conservation of energy:	Nil
(ii) the step taken by the company for utilizing alternate source of energy:	Nil
(iii) the capital investment on energy conservation equipment :	Nil
<b>(B) Technology absorption</b>	
(i) the effort made towards technology absorption:	Nil
(ii) the benefit derived like product improvement ,cost reduction , product development, or import substitution	Nil
(iii) the company has not imported any technology in last three years :	Nil
(iv) expenditure incurred on research and development :	Nil
<b>(C) Foreign exchange earning and out go</b>	
Foreign exchange inflow / earning	Nil
Foreign exchange out go	6.38

## KILBURN CHEMICALS LTD.

### REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 27 of LODR, 2015]

#### A. MANDATORY REQUIREMENTS

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

Your Company firmly believes in transparency, professionalism and accountability in its dealings and lays emphasis on integrity and compliance of regulatory provisions and has constantly endeavoured to practice good Corporate Governance. The above policies adopted by the Company recognize the accountability of the Board and assist its top management in the efficient conduct of the business of the Company and at the same time in meeting its social obligations.

The Company has taken a series of steps to put in place appropriate Corporate Governance Policies for your Company and to comply the regulations framed in this regard by the Securities & Exchange Board of India.

##### 2. BOARD OF DIRECTORS

The Board of Directors of your Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance management, legal and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, meets with the requirements of Regulation 17 (1) of the LODR, 2015.

As required by section 165 (1) of the Companies Act, 2013 and Regulation 26 of the LODR, 2015, none of the Directors holds Directorships in more than 20 Companies (Public or Private), 10 public companies, membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairmanship of Board Committee in excess of 5. None of the directors serves as Independent Director in more than 7 Listed Companies. None of the Director who serves as Whole Time Director in any listed Company serves as Independent Director in more than 3 listed Companies.

The composition, status, attendance at the Board Meetings and the last Annual General Meeting (AGM), outside Directorships and other Board Committees as at 31st March, 2016 is as under :-

Name of the Director	Status i.e., Executive, Non Executive and Independent	No. of Membership in other Boards or other Committees as a Member or Chairman (other than Private Limited Companies and Kilburn Chemicals Ltd.)		Number of Board Meetings		Whether attended last A.G.M.
		Board	Committee	Held during the year	Attended during the year	
Mr. S. K. Jalan	Managing Director	7	1	7	7	YES
Mr. V. Vanchi	Non-Executive Director	4	1	7	6	YES
Mr. Ranjit Chaudhri	Independent Director	2	-	7	6	YES
Mr. Anand Chatrath	Independent Director	2	1	7	5	NO
Mr. Parag Keshar Bhattacharjee (Resigned on 28.07.2015)	Independent Director	4	2	7	3	NO
Mr. Tushar Mahendrabhai Patel	Non-Executive Director	1	1	7	1	NO
Mrs. Mamta Kejriwal (Appointed on 13.02.15)	Independent Director	-	-	7	7	YES

## **KILBURN CHEMICALS LTD.**

Seven Board Meetings were held on 05.05.2015, 29.05.2015, 28.07.2015, 09.11.2015, 08.01.2016, 12.02.2016 and 16.03.2016 during the year.

As required under Section 149(3) of the Companies Act, 2013, Mrs Mamta kejrival, a Woman Director, has been appointed as an additional Director on the Board on 13.02.2015 and w e f 15.11.2015 she has been appointed as independent Director of the company .

### **(i) Board Training and Induction**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, functions, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, and Regulation 25 (7) of the LODR,2015 and other relevant regulations and his affirmation taken with respect to the same. By way of an introduction to the Company, the Director is presented with a relevant Annual Reports. Further, with a view to familiarize him with the Company's Operations, the Director is explaining through presentations giving an over arching perspective of the industry

The company senior staffs gives the details of organisational set up of the Company, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfil his role as a Director of the Company

### **(ii) COMMITTEES OF THE BOARD**

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee.

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are tabled at the Board Meetings.

### **3. Independent Directors' Meeting**

During the year under review, the Independent Directors met on 16th February, 2016, inter alia, to discuss: Independent Directors and the Board of Directors as a whole; Chairman of the committee, taking into account the views of the Executive and Non Executive Directors. Timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Director takes appropriate steps to present Independent Directors' views to the Managing Director.

The Company has conducted the familiarization program for Independent Directors during the year.

### **4. PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) and Regulation 19 (4)of the LODR,2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Board and of the committees of Board by way of individual and collective feed back from Directors.

## **KILBURN CHEMICALS LTD.**

The following were the Evaluation Criteria :

For Independent Directors:

- Knowledge and Skills
- Professional Conduct
- Duties , Role And functions

For Executive Director / Managing Director

- Performance of Team Leader/ Member
- Evaluating business Opportunity
- Key set goals and achievements
- Professional conduct
- Sharing of information with the Board

### **5. AUDIT COMMITTEE**

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the Internal Control Systems and financial disclosures.

The terms of reference of the Audit Committee covers the matter specified for Audit Committee under Regulation 18 of the LODR,2015 and the Companies Act, 2013 and is vested with the following powers :

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advices.
- To secure attendance of outsiders with relevant expertise, if considered necessary.
- Review of Company's Financial reporting process.
- Review of quarterly, Half yearly and annual financial statements, before submission to the Board.
- Review with External Auditors, on areas of concern.
- Review the adequacy of internal control systems.
- Recommendations for the appointment/remuneration & terms of appointment of auditors of the Company.
- Reviewing, with the management with the statement of uses and applications of funds raised through issue(public, right , preferential issue etc)
- Scrutiny of inter-corporate loans & investments.
- Evaluations of internal financial controls of risk management system.
- To review the function of whistle blower mechanism.
- Carry out any other functions as mentioned in terms of reference of audit committee.

The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) issued by The Institute of Chartered Accountants of India. Compliance of the AS as applicable to the Company has been ensured in the Financial Statements for the year ended 31st March 2016.

The Board of Directors of the Company had constituted an Audit Committee comprising of Shri. Ranjit Chaudhri, (Chairman, Resigned as Chairman on 12.02.2016), Shri. Anand Chatrath and Smt.Mamta Kejriwal (Appointed as Chair Person from 12.02.2016).

The Audit Committee is constituted in accordance with the provisions of Regulation 18 (1) of the LODR,2015 and Section 177 of the Companies Act 2013.Smt Mamta Kejriwal & Shri Anand Chatrath is a Chartered Accountant and possesses knowledge of corporate finance, accounts and company

## KILBURN CHEMICALS LTD.

law. The Statutory Auditor, Internal Auditor are also invited to the Meetings. The quorum for the Audit Committee Meetings is two members. Mr. Mukesh Sharma, acts as the Secretary of the Committee.

The attendance of each member of the Committee is given below.

Date of Audit Committee Meeting held and attended by the Members	Mr. Ranjit Chaudhri	Mr. Anand Chatrath	Mr. Parag Keshar Bhattacharjee (Resigned on 28.07.2015)	Ms. Mamta Kejriwal (Appointed on 13.02.2016)
29.05.2015	YES	YES	YES	-
28.07.2015	YES	YES	YES	-
09.11.2015	-	YES	-	YES
12.02.2016	YES	-	-	YES

Shri. Mukesh Sharma acts as the Secretary of the Committee.

### 6. Nomination and Remuneration Committee

Pursuant to the provisions of Section 178 of the Companies Act ,2013 and regulation 19 of the LODR,2015, the Nomination and Remuneration Committee comprises of three Directors viz. Mr. R. Chaudhri (Chairman), Mr. Anand Chatrath and Ms.Mamta Kejriwal.

The terms of reference of the Committee cover the matter specified for Nomination and Remuneration Committee under the provision of LODR,2015 and Companies Act 2013 and rules made there under.

#### POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

##### 1.1 Appointment criteria and qualification

- a) A person who is proposed to be appointment as director of the company should be eligible to be appointed as Director and must hold Director Identification Number issued by the Central Government and possess such qualification, expertise and experience as prescribed under the Act.
- b) Without prejudice to generality of the above, a person who is proposed to be appointed as an Independent Director shall also be subject to compliance of provisions of section 149(6)
- c) KMP or senior Management personnel shall have adequate qualification, expertise and experience in the relevant field for which the appointment is proposed to be made.
- d) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

##### 1.2 Term / Tenure

###### a) Managing Director/ Whole Time Director/ Manager (Managerial Personnel)

The company shall appoint or re appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re appointment shall be made earlier than one year before the expiry of term.

###### b) Independent Director

An Independent Director shall hold office for a term of up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent that an Independent Director shall not, during the said period of three years , be appointed in or be associate with the company in any other capacity, either directly or indirectly.

## **KILBURN CHEMICALS LTD.**

### **1.3 EVALUATION**

The committee shall carry out evaluation of performance of every Director, KMP and senior Management Personnel at such interval as deemed fit.

### **1.4 REMOVAL**

The Committee may recommend the Board for removal of a Director, KMP or Senior Management Personnel for reason recorded in writing. The procedure for removal of any Director shall be as per the provisions of the Act in this regard.

### **1.5 RETIREMENT**

The Directors, KMP and senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the company. The Company will have the discretion power to retain the Directors, KMP, senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the company

### **2.1 REMUNERATION POLICY**

- a) The remuneration / compensation / commission etc. to the Managerial Personnel will be determined by the committee and recommended to the Board for approval which shall be subject to the prior / post approval of the shareholders of the company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managerial Personnel shall be in accordance with the percentage/ slabs / conditions as per the provisions of the Act.
- c) Increments to the existing remuneration / compensation structure may be recommended by the committee to the Board which should be within the limits approved by the shareholders in case of Managerial Personnel.
- d) Where any insurance is taken by the company on behalf of its Managerial Personnel, Chief Executive Officers, Chief Financial Officer, Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### **2.2 REMUNERATION TO MANAGERIAL PERSONNEL, KMP, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES**

#### **a) Fixed Pay**

The Managerial Personnel shall be eligible for a monthly remuneration as may approved by the Board on the recommendation of the Committee in accordance with the provisions of the Companies Act, 2013 and rules made there under for the time being in force. The breakup of the pay scale and quantum of perquisites including employer's contribution to P. F. pension scheme, medical expenses, club fees, other non monetary benefits etc. Shall be decided and approved by the Board on the recommendation of the committee and approved by the shareholders and Central Government, wherever required.

#### **b) VARIABLE PAY**

The Managerial Personnel shall be eligible to performance linked incentives as may be determined by the Board from time to time

#### **c) COMMISSION**

The Managerial Personnel may be paid commission if approved by the shareholders. The Shareholders may authorize the Board to decide commission to be paid to any Managerial Personnel of the Board.

#### **d) MINIMUM REMUNERATION**

If, in any financial year, the Company has no profits or its profits are inadequate, the company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the central Government.



## KILBURN CHEMICALS LTD.

### e) PROVISION FOR EXCESS REMUNERATION

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the company and until such sum is refunded, hold it in trust for the company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### f) REMUNERATION TO OTHER

The remuneration to company Secretary, Chief Financial Officers, Chief Executive Officer, Senior Managerial Personnel and other employees of the company shall be governed by the H R Policy of the company.

## 2.3 REMUNERATION TO NON EXECUTIVE /INDEPENDENT DIRECTORS

### a) REMUNERATION

The remuneration shall be in the accordance with the provisions of the Companies Act, 2013 and rules made thereunder for the time being in force .

### b) SITTING FEES

The Non Executive / Independent Director may receive fees for attending meeting of the company. Provided that the amount of such fee shall not exceed Rs one lacs per meeting of the Board or Committee or such amount as may be prescribed under the Act. Additionally the Non Executive Directors shall be reimbursed travelling and incidental expenses incurred for attending the meeting

### c) COMMISSION

Commission may be paid within the monetary limit approved by the shareholders, subject to the limit as prescribe under the Act .

### d) STOCK OPTION

An Independent Director shall not be entitled to any stock option of the company.

The attendance of each member of the Committee is given below.

Date of Independent Directors Meeting held and attended by the Members	Mr.Ranjit Chaudhri	Mr.Anand Chatrath	Mr.Parag Keshar Bhattacharjee	Ms. Mamta Kejriwal
09.11.2015	—	Yes	No (As resigned on 28.07.2015)	Yes
16.02.2016	Yes	Yes	—	Yes

Shri. Mukesh Sharma acts as the Secretary of the Committee.

## DETAILS OF REMUNERATION PAID TO DIRECTORS

The Details of Remuneration paid to Directors for the year ended 31st March, 2015 are as follows:

Name of the Director	Sitting Fees	Salaries & Perquisites	Commission	No.of Shares held	
				Equity	Preference
Mr. S. K. Jalan	—	Rs.3640985	—	25355	—
Mr. V. Vanchi	Rs.24000/-	—	—	4105	—
Mr. Ranjit Chaudhri	Rs.36000/-	—	—	—	—
Mr. Anand Chatrath	Rs.32000/-	—	—	—	—
Mr. P. K. Bhattacharjee	Rs.20000/-	—	—	—	—
Mr. Tushar M. Patel	Rs.4000/-	—	—	—	—
Ms. Mamta Kejriwal	Rs.40000/-	—	—	—	—

## **KILBURN CHEMICALS LTD.**

The Company does not have any Employee Stock Option Scheme.

The agreement with the Managing Director is for a period of three years, notice period is of 6 months and Service Contract is from 14th November, 2015 to 13th November, 2018.

The remuneration of the Managing Director is determined by the Board within the statutory limits subject to shareholder's approval and on the basis of recommendation of the Remuneration Committee.

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees.

### **7. Stakeholders' Relationship Committee**

As per Regulation 20 of LODR,2015 and other applicable provisions of the companies Act, the terms of reference of the Committee are transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;

- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;

The Committee is headed by Mr. V. Vanchi, Non-Executive Director. The other members of the Committee include Mr. S. K. Jalan, Managing Director and Mr. Ranjit Chaudhri, Independent Director.

The Committee generally meets once a month.

A	No. of Pending Complaints as on 01.04.2015	NIL
B	No. of complaints received from Stock Exchanges/SEBI/Investors	4
C	No. of complaints resolved	4
D	No. of pending complaints as on 31.3.2016	NIL

Mr. Mukesh Sharma is the Compliance Officer.

### **8. Corporate Social Responsibility (CSR) Committee**

In accordance with Section 135 of the companies Act, 2013 the Board of Directors of the company at its meeting on 13.05.2016, has constituted the CSR Committee which comprises three Directors viz. Mr Sandeep Kumar Jalan, Mrs Mamta Kejriwal and Mr. Ranjit Chaudhari has defined the role of the committee, which is as under :

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013
- Recommend the amount of expenditure to be incurred on activities referred in CSR Policy
- Monitor the CSR Policy of the company and its implementation from time to time
- Such other functions as the Board may deem fit from time to time

### **9. Risk Management policy**

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has risk management framework to identify, monitor and minimize risks as also identify business opportunities.

## **KILBURN CHEMICALS LTD.**

The objectives and scope of the Risk Management policy comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the Board risk management policy and framework in line with local legal requirements and SEBI guidelines;
- Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

### **10. DISCLOSURE**

#### **I. RELATED PARTY TRANSACTIONS**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

#### **II. STRICTURES AND PENALTIES**

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

#### **III. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In staying true to our values of Strength, Performance and Passion and in line with our vision of the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a framed whistle blower Policy to deal with instances of fraud and mismanagement, if any. The whistle blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

#### **IV. SUBSIDIARY COMPANIES**

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

#### **V. INTERNAL CONTROLS AND ACCOUNTING STANDARD**

The Company has a formal system of internal control system which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

##### **Internal Controls and Governance Processes**

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism and
- To review the findings of investigation into cases of material nature and the actions taken in respect thereof

The Company has followed the Accounting Standards notified by the companies (Accounting Standards) Rules 2006 as amended from time to time, read with Companies (Accounts) Rules, 2014 in preparation of its financial Statements.

## **KILBURN CHEMICALS LTD.**

### **VI. Details of Compliance with Mandatory Requirements and adoption of Non mandatory requirements as per LODR, 2015**

#### **Mandatory Requirements**

The Companies complies with all the mandatory requirements of LODR,2015 of the on Code of Corporate Governance .

#### **NON Mandatory Requirements**

- a) Office for non executive Chairman at company's expense : not applicable
- b) Half yearly declaration of financial performance to each household of shareholders : Not Complied
- c) Audited Qualification : Complied as no audit qualification
- d) Separate post of Chairman & CEO : Not Complied
- e) Reporting of Internal Auditors directly to Audit Committee : Complied

#### **vii. Shareholding of NON Executive Directors**

Mr. V.Vanchi Director of the Company holds 4105 Shares only ,no other directors hold any other shares of the Company.

#### **viii. Disclosure of relationship between directors inter-se**

None of the Directors of the company is related to any other Directors

#### **ix. Disclosure under the Sexual Harassment of women at Work place**

(Prevention, Prohibition and Redressal) Act 2013

The Company has in place a policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of women at the work place (Prevention, Prohibition & redressal) Act, 2013

Internal Complaint Committee has been set up to redress complaints received regarding sexual harassment.

All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

During the year, the company has not employed any woman.

#### **x. CODE OF CONDUCT:**

Boards of Directors of the Company have laid down the Code of Conduct for all its Members and Senior Management Personnel who have affirmed their compliance therewith. The Code has also been displayed on the Company's Website.

#### **xi PREVENTION OF INSIDER TRADING CODE**

As per SEBI (prohibition of Insider Trading) Regulation, 2015 the company has follow Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. Who could have access to the unpublished price sensitive information of the Company are governed by this code. The Company Secretary as Compliance Officer, who is responsible for setting forth procedure and implementation of the code.

#### **xii. CEO/CFO CERTIFICATION**

In terms of LODR 2015 Regulations 17(8), the certification by the Managing Director & CEO and Chief Financial Officer on the financial statements and internal controls relating to financial reporting has been obtained.

## KILBURN CHEMICALS LTD.

### 11. GENERAL BODY MEETINGS

#### (i) Details of Annual General Meeting

The location and time of the General Meetings held during the last three years is as follows :

AGM/ EGM	Date	Venue	Time	No. of special resolutions Passed
EGM	27.02.2016	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata-17	11.00 A.M.	2
AGM	29.09.2015	Gyan Manch, 11 Pretoria Street, Kolkata- 71	10.00 A.M.	NIL
AGM	30.09.2014	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata- 700017	02.00 P.M.	NIL
AGM	19.08.2013	Narada Gana Sabha (Mini Hall), 314, T.T.K. Road, Alwarpet, Chennai - 600018	11.00 A.M.	1

#### (ii) Special Resolutions/Postal Ballot Resolutions

2 Special Resolution was passed through means of Postal Ballot Resolution in EGM held on 27.02.2016

### 12. MEANS OF COMMUNICATION

Quarterly, half yearly and annual results are published in prominent dailies such as The Political Business Daily (English) and Sukhabar (Bengali) newspapers and also displayed on the Company's website: [www.kilburnchemicals.com](http://www.kilburnchemicals.com)

### 13. GENERAL SHAREHOLDER INFORMATION

- i) Next Annual General Meeting  
DATE - 06.09.2016  
TIME - 11.00  
VENUE - Bharatiya Bhasa Parishad  
36A, Shakespeare Sarani, Kolkata – 700017
- ii) FINANCIAL CALENDAR : (tentative) for the year 2016-2017
  - a) First Quarter Results - 2nd Week of July, 2016
  - b) Second Quarter Results - 1st Week of November, 2016
  - c) Third Quarter Results - 1st Week of February, 2017
  - d) Results for the year ending March 2017 - May, 2017
- iii) Date of Book Closure - 31.08.2016 to 06.09.2016  
(both days inclusive)
- iv) Dividend Payment Date - N.A.
- v) Listing on Stock Exchange - The Stock Exchange, Mumbai  
Listing Fee for the financial year 2016 -2017  
has been paid to the Stock Exchange, Mumbai

#### STOCK CODE :

- The Stock Exchange, Mumbai - 524699  
Demat ISIN No.for NSDL & CDSL - INE655C01027C

**KILBURN CHEMICALS LTD.****MONTHLY STOCK PRICE DATA :**

Month	Highest Rate (Rs.)	Lowest Rate (Rs.)
April, 2015	18.40	15.00
May, 2015	21.65	15.70
June, 2015	18.25	15.95
July, 2015	19.60	15.65
August, 2015	22.35	17.40
September, 2015	23.00	18.85
October, 2015	24.90	18.60
November, 2015	24.95	18.10
December, 2015	37.90	22.25
January, 2016	39.60	25.15
February, 2016	28.10	23.30
March, 2016	26.30	22.50

(relates to trading in The Stock Exchange, Mumbai)

REGISTRAR & SHARE TRANSFER

MAHESHWARI DATAMATICS AGENT PVT. LTD.,  
6, MANGOE LANE, 2nd Floor  
KOLKATA 700 001.

Share Transfer System :

Share Transfers in physical Form are processed by the Share Transfer Agent and approved by the Share Transfer Committee which meets at regular intervals. Share Transfers are registered and returned generally within 15 days from date of receipt, provided the documents are complete in all respects.

**Distribution of Shareholding as on 31.03.2016**

No.of EquityShares held	No.of Folios	%	No.of Shares	%
1 to 500	18567	97.8757	1308771	14.3349
501 to 1000	195	1.0279	161052	1.7640
1001 to 2000	84	0.4428	123836	1.3564
2001 to 3000	45	0.2372	114055	1.2492
3001 to 4000	21	0.1107	73525	0.8053
4001 to 5000	14	0.0738	67070	0.7346
5001 to 10000	17	0.0896	123057	1.34787
10001 and above	27	0.1423	7158634	8.4078
	18970	100.0000	9130000	100.0000

## KILBURN CHEMICALS LTD.

### ANNEXURE TO THE DIRECTORS' REPORT

#### Shareholding Pattern as on 31.03.2016 is as follows :

Category	No. of Folios	No. of shares	%
Promoters	9	5169747	56.6237
Mutual Fund	6	6700	0.0734
Bank, Financial Institutions	5	1000	0.0110
Private Corporate Bodies	177	1746841	19.1329
Indian Public	18746	2181590	23.8948
NRI/OCBs	26	24122	0.2642
	18970	9130000	100.0000

#### DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on 31st March, 2016, 73,01,968 shares were converted from physical to electronic form. Over 79.98% equity shares have been dematerialised upto 31st March, 2016. Trading in Equity Shares of the Company is permitted only in dematerialised form with effect from 29.1.2000 as per notification issued by the Securities and Exchange Board of India. (SEBI).

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date

And likely impact on equity : Not Applicable.

CORPORATE OFFICE : KOLKATA, WEST BENGAL

ADDRESS FOR CORRESPONDENCE : "SHANTINIKETAN", 16TH FLOOR  
8, CAMAC STREET  
KOLKATA – 700 017

Place : Kolkata

Date : 13th May, 2016

**S.K. JALAN**  
**MANAGING DIRECTOR**



**KILBURN CHEMICALS LTD.**

ANNEXURE TO THE DIRECTORS' REPORT

**CERTIFICATION BY CEO AND CFO UNDER REGULATION 17(8) OF SEBI LISTING REGULATIONS**

**The Board of Directors,  
Kilburn Chemicals Limited**

We have reviewed the financial statements and the cash flow statement of Kilburn Chemicals Limited for the year ended March 31, 2016 and to the best of our knowledge and belief :

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**ASHIM DUTTA  
CHIEF EXECUTIVE OFFICER**

**SUNIL SOMANI  
CHIEF FINANCE OFFICER**

Place: **Kolkata**  
Date: **13.05.2016**

**KILBURN CHEMICALS LTD.**

**DECLARATION BY THE MANAGING DIRECTOR REGULATION 34(3) PART D OF THE SEBI LISTING REGULATIONS**

To,  
The Members  
Kilburn Chemicals Limited

I hereby declare that all the Directors and the designated employees in the Senior management of the Company have affirmed compliance with their respective codes for the financial year ended March 31, 2016.

Place : **Kolkata**  
Date : **13th May, 2016**

**S.K. JALAN**  
**MANAGING DIRECTOR**

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE**

The Members,  
Kilburn Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by Kilburn Chemicals Limited (the Company), as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges (for the eight months period ended 30 November 2015) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Regulations") (for the four months period ended 31 March, 2016).

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

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 and the SEBI Regulations.

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.

Four Mangoe Lane,  
Surendra Mohan Ghosh Sarani  
Kolkata - 700 001  
Dated: 13th May, 2016

**For V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.311017E  
**(SUNIL SINGHI)**  
Partner  
Membership No.060854

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Kilburn Chemicals Limited Report on the Financial Statements

We have audited the accompanying financial statements of Kilburn Chemicals Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, 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 and presentation of these financial statements to 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its profit and its cash flows for the year ended on that date.

### Emphasis of Matters

1. Note No. 25 regarding non provision of gratuity liability of Rs. 21,31,807/- (including for the year Rs. 1,73,076/-).
2. Note No. 27 regarding non provision against Trade Receivables of Rs. 11,09,72,664/- in respect of Commodity Transactions and other Receivable of Rs. 1,01,33,083/-

Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and

## KILBURN CHEMICALS LTD.

on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure– A, 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 sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company has disclosed the impact of pending litigations on its financial position in the financial statements as referred to in Note 24 in the financial statements.
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
  - iii. the Company has transferred Rs.2,07,136/- relating to Financial Year 2007-2008 to the Investor Education and Protection Fund with a delay of 152 days.

**For V. SINGHI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 311017E**  
**(SUNIL SINGHI)**  
Four Mangoe Lane,  
**Partner**  
Membership No. 060854

Surendra Mohan Ghosh Sarani  
Kolkata  
Date: 13th May, 2016

### Annexure - A to the Independent Auditor’s Report

(Referred to in paragraph-1 on Other Legal and Regulatory Requirements of our Report of even date to the members of Kilburn Chemicals Limited on the Financial Statements of the Company for the year ended 31st March, 2016)

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.  
b) As explained to us, the Fixed Assets have been physically verified by the management at regular intervals, and as

informed to us no material discrepancies were noticed on such verification.

- c) 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 the name of the Company.
  - ii. The Company does not hold any Inventory. Accordingly clause 3 (ii) of the Order is not applicable.
  - iii. According to the information and explanations

## KILBURN CHEMICALS LTD.

given to us, the Company has not granted any loan, secured or unsecured, during the year (excluding outstanding Unsecured Loan of Rs.2,50,01,331/- as on 31.03.2016) to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act.

- a) No interest is being charged on the above loan as per terms of the agreement between the parties.
  - b) There are no schedules as regards to repayments of principal amount and therefore we are not in a position to make any comments as to whether or not the Company was regular in receipt of principal amount. However, the Company has received Rs 5, 00,000/- on account of principal during the year.
  - c) In view of our comments in para (b) above, we are not in a position to make any comments as to whether or not there were any overdue amounts of more than Ninety days and whether any reasonable steps have been taken by the Company for recovery of the principal amount.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of the loans and investments made.
  - v. According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified.
  - vi. As per the information and explanations given to us by the management, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for power generated by the wind mills.
  - vii. a) As per records of the Company and according to the information and explanations given to us, the Company is generally regular in depositing

undisputed applicable statutory dues including Income Tax, Service Tax, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as on 31st March, 2016 for a period of more than six months from the date the same became payable.

- b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authorities:

Name of the statute	Nature of the dues	Amount in Rs.	Period to which the amount relate	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6,25,55,590/-	Assessment Year 2012-13	Commissioner of Income Tax (Appeals), Chennai
Income Tax Act, 1961	Income Tax	62,93,330/-	Assessment Year 2013-14	Commissioner of Income Tax (Appeals), Chennai

- viii. According to the information and explanations given to us, the Company has obtained term loans under consortium finance from Bank of Baroda & State Bank of India during the year. However, no installment is due for repayment during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). However, term loans raised during the year have been applied for the purpose for which the same were raised.
- x. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor we have been informed of such case by the management.

## KILBURN CHEMICALS LTD.

- xi. In our opinion and according to the information and explanations given to us the managerial remuneration paid or provided is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that all transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and the details in respect of such transactions have been disclosed in the Financial Statements as required under Accounting Standards – 18 Related Party Disclosures specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. During the year under review the Company has made preferential allotment of 9,40,000 Equity Shares of Rs. 10 each in accordance with provisions of Section 42 of the Act and the amount raised has been utilized/to be utilized for the purpose for which it was raised.
- xv. According to the information and explanations given to us, we report that the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

*For V. SINGHI & ASSOCIATES*  
**Chartered Accountants**  
**Firm Registration No. 311017E**  
**(SUNIL SINGHI)**  
Four Mangoe Lane,  
**Partner**  
Membership No. 060854

Surendra Mohan Ghosh Sarani  
Kolkata

Date: 13th May, 2016

### **Annexure – B to the Independent Auditor’s Report**

(Referred to in paragraph-2(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Kilburn Chemicals Limited on the Financial Statements of the Company for the year ended 31st March, 2016)

#### **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 Kilburn Chemicals Limited (“the Company”) as of 31st March, 2016 in conjunction with our audit of the financial statement of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal

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

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by the ICAI and deemed to be



## KILBURN CHEMICALS LTD.

prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 V. SINGHI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 311017E**  
**(SUNIL SINGHI)**

Four Mangoe Lane,  
**Partner**  
Membership No. 060854

Surendra Mohan Ghosh Sarani  
Kolkata

Date: 13th May, 2016



**KILBURN CHEMICALS LTD.**

**BALANCE SHEET AS AT 31ST MARCH, 2016**

	Note No	As at 31st March, 2016		As at 31st March, 2015	
		Rs.	Rs.	Rs.	Rs.
<b>EQUITY AND LIABILITIES</b>					
<b>I. EQUITY AND LIABILITIES</b>					
<b>1) Shareholders' Funds</b>					
a) Share Capital	2	<b>91,300,000</b>		81,900,000	
b) Reserves and Surplus	3	<b>664,518,825</b>		589,223,930	
c) Money Received Against Convertible Warrants	4	<u><b>26,568,750</b></u>	<b>782,387,575</b>	<u>-</u>	<b>671,123,930</b>
<b>2) Non-Current Liabilities</b>					
a) Long Term Borrowings	5	<b>82,249,130</b>		-	
b) Deferred Tax Liabilities (Net)	6	<u><b>95,334</b></u>	<b>82,344,464</b>	<u>40,345,996</u>	<b>40,345,996</b>
<b>3) Current Liabilities</b>					
a) Other Current Liabilities	7	<b>14,777,770</b>		10,795,549	
b) Short- Term Provisions	8	<u><b>464,346</b></u>	<b>15,242,116</b>	<u>464,346</u>	<b>11,259,895</b>
<b>TOTAL</b>			<u><b>879,974,155</b></u>		<u><b>722,729,821</b></u>
<b>II. ASSETS</b>					
<b>1) Non-Current Assets</b>					
<b>a) Fixed Assets:</b>					
i) Tangible Assets	9	<b>196,295,167</b>		320,707,238	
ii) Intangible Assets		<b>1,080,684</b>		1,345,747	
iii) Capital Work-In-Progress	10	<u><b>235,392,221</b></u>	<b>432,768,072</b>	<u>127,756,466</u>	<b>449,809,451</b>
b) Non-Current Investments	11		-		-
c) Other Non-Current Assets	12		<b>2,679,084</b>		<b>234,584</b>
<b>2) Current Assets</b>					
a) Current Investments	13	<b>20,000,000</b>		99,361,519	
b) Trade Receivables	14	<b>125,616,440</b>		126,456,964	
c) Cash and Cash Equivalents	15	<b>264,477,491</b>		5,942,815	
d) Short-term Loans and Advances	16	<b>34,433,068</b>		40,315,132	
e) Other Current Assets	17	<u>-</u>	<b>444,526,999</b>	<u>609,356</u>	<b>272,685,786</b>
<b>TOTAL</b>			<u><b>879,974,155</b></u>		<u><b>722,729,821</b></u>

Significant Accounting Policies 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date  
For V.Singhi & Associates  
Chartered Accountants  
Firm Regn No.311017E  
(Sunil Singhi)  
Partner  
Membership No. 060854  
Place: Kolkata  
Date: 13.05.2016

**For and on behalf of the Board**  
**A. K. Dutta**                      **S. K. Jalan**  
Chief Executive Officer          Managing Director

**Sunil G. Somani**                      **V. Vanchi**  
Chief Financial Officer              Director

**Mukesh Sharma**  
Company Secretary

[www.kilburnchemicals.com](http://www.kilburnchemicals.com)

**KILBURN CHEMICALS LTD.**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

Particulars	Note No.	For the Year ended 31st March, 2016		For the Year ended 31st March, 2015	
		Rs.	Rs.	Rs.	Rs.
<b>I. Revenue from Operations</b>	18		<b>10,718,056</b>		13,738,158
<b>II. Other Income</b>	19		<b>58,734,845</b>		9,358,475
<b>III. Total Revenue (I+II)</b>			<b>69,452,901</b>		23,096,633
<b>IV. Expenses</b>					
Employee Benefits Expense	20		<b>4,013,465</b>		4,182,602
Finance Costs	21		<b>125,150</b>		3,033
Depreciation and Amortisation			<b>4,537,475</b>		8,218,121
Other Expenses	22		<b>19,092,578</b>		13,060,133
			<b>27,768,668</b>		25,463,889
<b>V. Profit/(Loss) Before Exceptional Items and Tax (III-IV)</b>			<b>41,684,233</b>		(2,367,256)
<b>VI Exceptional Items</b>			-		606,130
<b>VII Profit/(Loss) before Tax(V-VI)</b>			<b>41,684,233</b>		<b>(1,761,126)</b>
<b>VIII Tax Expenses</b>					
Current Year		<b>33,900,000</b>		103,050	
Tax Adjustment for Previous Year		-		19,123	
Deferred Tax		<b>(40,250,662)</b>	<b>(6,350,662)</b>	(4,503,844)	(4,381,671)
<b>IX Profit/(Loss) for the year (VII-VIII)</b>			<b>48,034,895</b>		2,620,545
Earnings per Equity Share (Face Value Rs.10/- each)					
Basic	28		<b>5.84</b>		0.32
Diluted			<b>5.75</b>		0.32
Significant Accounting Policies	1				

The accompanying notes form an integral part of the Financial Statements

As per our report of even date  
For V.Singhi & Associates  
Chartered Accountants  
Firm Regn No.311017E  
(Sunil Singhi)  
Partner  
Membership No. 060854  
Place: Kolkata  
Date: 13.05.2016

**For and on behalf of the Board**  
**A. K. Dutta**                      **S. K. Jalan**  
Chief Executive Officer          Managing Director  
  
**Sunil G. Somani**                **V. Vanchi**  
Chief Financial Officer          Director  
  
**Mukesh Sharma**  
Company Secretary

**KILBURN CHEMICALS LTD.**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

Particulars	For the Year ended 31st March, 2016		For the Year ended 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) before Tax and exceptional Items		<b>41,684,233</b>		(2,367,256)
<b>Adjustments for:</b>				
Depreciation	<b>4,537,475</b>		8,218,121	
Interest Received	<b>(2,367,807)</b>		(117,615)	
Interest Paid	<b>119,927</b>		1,433	
(Profit)/Loss on Sale of Investments	<b>(34,460,912)</b>		(9,240,460)	
(Profit)/Loss on Sale of Fixed Assets	<b>(18,260,239)</b>		-	
Balances written back	<b>(132,634)</b>		-	
Sundry Balances written off	<b>169,200</b>		-	
Export Benefit Written Off	<b>463,033</b>		-	
Interest Receivable written Off	<b>146,323</b>		-	
Provision for Bad and Doubtful Debt	<b>6,284,008</b>		-	
Exceptional and Extraordinary Items	-	<b>(43,501,626)</b>	606,130	(532,391)
<b>Operating Profit before Working Capital Changes</b>		<b>(1,817,393)</b>		(2,899,647)
<b>Adjustments for Changes in Working Capital</b>				
Trade and Other Receivables	<b>(2,651,825)</b>		2,881,460	
Trade Payables and Other Liabilities	<b>3,945,658</b>	<b>1,293,833</b>	<b>(5,754,017)</b>	<b>(2,872,557)</b>
<b>Cash Generated from Operations</b>		<b>(523,560)</b>		<b>(5,772,204)</b>
Taxes Paid		<b>(33,900,000)</b>		<b>(505,558)</b>
<b>Net cash flow from operating Activities</b>		<b>(34,423,560)</b>		<b>(6,277,763)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets/Expenditure on Capital Work In Progress		<b>(118,589,955)</b>		(18,974,381)
Sale of Fixed Assets		<b>150,000,000</b>		-
Purchase of Investments		<b>(164,500,000)</b>		(32,200,000)
Sale of Investments		<b>278,322,430</b>		44,500,000
Interest Received		<b>2,367,807</b>		117,615
<b>Net Cash flow from Investing Activities</b>		<b>147,600,281</b>		<b>(6,556,766)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceed from Issue of Share Capital and Convertible Warrants		<b>35,968,750</b>		-
Securities Premium on issue of Shares		<b>27,260,000</b>		-
Interest Paid		<b>(119,927)</b>		(1,433)
Long term loan taken		<b>82,249,130</b>		-
<b>Net Cash flow from Financing Activities</b>		<b>145,357,953</b>		<b>(1,433)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash equivalents</b>		<b>258,534,675</b>		<b>(12,835,962)</b>
<b>Cash and Cash Equivalents at the beginning of year</b>		<b>5,942,815</b>		<b>18,778,778</b>
<b>Cash and Cash Equivalents at the end of year</b>		<b>264,477,491</b>		<b>5,942,815</b>

Notes:-

- (1) The above statement is subject to and read together with the notes and observations on Financial Statements attached thereto.
- (2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- (3) Cash & Cash Equivalents at start and close of the year includes balances on Unpaid Dividend Accounts.
- (4) Previous year's figures have been regrouped, rearranged and recasted wherever found necessary.

This is the Cash Flow Statement referred to in our Report of even date.

As per our report of even date  
For V.Singhi & Associates  
Chartered Accountants  
Firm Regn No.311017E  
(Sunil Singhi)  
Partner  
Membership No. 060854  
Place: Kolkata  
Date: 13.05.2016

**For and on behalf of the Board**  
**A. K. Dutta**  
Chief Executive Officer

**S. K. Jalan**  
Managing Director

**Sunil G. Somani**  
Chief Financial Officer

**V. Vanchi**  
Director

**Mukesh Sharma**  
Company Secretary

[www.kilburnchemicals.com](http://www.kilburnchemicals.com)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**1. Significant Accounting Policies**

**(i) Basis of Preparation of Financial Statements:**

The Financial Statements have been prepared on accrual basis and under the historical cost convention method and in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

All the assets and liabilities have been classified by the Company as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

**(ii) Use of Estimates:**

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

**(iii) Fixed Assets and Depreciation:**

Fixed Assets are stated at cost less accumulated depreciation. Cost (net of CENVAT, VAT and Service Tax Credits) is inclusive of freight, duties and levies and any directly attributable cost of bringing the assets to their working condition for intended use. Interest and other borrowing cost on borrowed funds, wherever applicable, used to finance the acquisition of fixed assets, upto the date of assets are ready for use, are estimated and capitalized and included in the cost of the assets.

Depreciation on straight line method is provided on book value of tangible fixed assets (other than leasehold land). The residual value of all assets for depreciation purpose is considered as 5% of the original cost of the assets.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

The Expenditure incurred on "CDM" project has been considered by the Company as "Intangible Assets-CDM Project" and amortised on the basis of useful life method as specified in Schedule II of the Companies Act, 2013.

Cost of Leasehold Land will be amortised as and when the same will be used for business purpose.

**(iv) Investments:**

Non-Current Investments are stated at cost. Provision for diminution is made, other than temporary.

Current Investments are carried at cost or fair market rate whichever is lower.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**(v) Excise Duty and Cenvat/VAT/Service Tax Credits:**

Benefits of Cenvat/VAT and Service Tax Credits (to the extent claimed/availed) are accounted for by adjusting to the cost of relative fixed assets/ materials/expenses

**(vi) Turnover/Sales:**

Windmill power sales is being considered by the management as Revenue from Operations except Rate difference realized subsequent to sales of wind mill has been accounted for as other income.

**(vii) Recognition of Revenue and Expenditure:**

(a) Income and Expenditure are accounted for on accrual and prudent basis.

(b) Self-generated Certified Emission Reductions (CERS) under the Clean Development Mechanism (CDM):

United Nations Framework Convention on Climate Change (UNFCCC) has registered the Company's "CDM" project on 21-04-2009. Considering the "Exposure Draft of Guidance Note on Accounting for self-generated Certified Emission Reductions (CERS)" issued by the Institute of Chartered Accountants of India, "CERS"/income are to be recognized in the financial statements only when the "CERS" are issued/credited/sold/ certified by "UNFCCC".

(c) Interest on refunds of Government dues and disposal of Scrap/residual materials, if any, are intended to be accounted for as and when the amounts are finally determined and /or materials disposed off.

**(viii) Foreign Currency Transactions**

Transactions in Foreign Currencies are recorded in rupees by applying the rate of exchange ruling on the date of transaction.

**(ix) Borrowing Costs**

Borrowing costs incurred in relation to acquisition or construction of assets which necessarily takes substantial period of time to get ready for intended use are capitalized/allocated as part of such assets. Other borrowing costs are charged as expenses in the year in which the same are incurred.

**(x) Taxes on Income**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is calculated at current statutory income tax rates as applicable and recognised on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration to prudence are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**(xi) Impairment of Assets**

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard-28, issued by the Institute of Chartered Accountant of India, for the purpose of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment Loss, when crystallises, are charged against revenues for the year.

**(xii) Provisions, 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 by way of Notes in the Financial Statements. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

	<b>As at 31st March, 2016 Rs.</b>	<b>As at 31st March, 2015 Rs.</b>
<b>NOTE-2</b>		
<b>SHARE CAPITAL</b>		
<b>(a) Authorised</b>		
1,60,00,000 (Previous year 1,60,00,000) Equity Shares of Rs.10/- each	160,000,000	160,000,000
4,00,000 (Previous year 4,00,000) Cumulative Redeemable Preference Shares of Rs. 100/- each	40,000,000	40,000,000
	<u><b>200,000,000</b></u>	<u><b>200,000,000</b></u>
<b>(b) Issued, Subscribed and Paid-up</b>		
91,30,000 (Previous year 81,90,000) Equity Shares of Rs.10/- each fully paid-up	91,300,000	81,900,000
	<u><b>91,300,000</b></u>	<u><b>81,900,000</b></u>

	<b>No. of Shares</b>	<b>(Rs.)</b>	<b>No. of Shares</b>	<b>(Rs.)</b>
<b>a) Reconciliation of number of shares</b>				
Opening Balance	8,190,000	81,900,000	8,190,000	81,900,000
Add: Issued during the year	940,000	9,400,000	-	-
Closing Balance	<u><b>9,130,000</b></u>	<u><b>91,300,000</b></u>	<u><b>8,190,000</b></u>	<u><b>81,900,000</b></u>

b) The Company has issued Equity Shares having a face value of Rs. 10/- each. Each holder of the Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting.

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

**KILBURN CHEMICALS LTD.**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	As at 31st March, 2016 Rs.		As at 31st March, 2015 Rs.	
d) <b>Name of Shareholders holding more than 5% of the total Shares issued by the Company</b>				
<b>Name of Shareholders</b>	<b>No. of Shares</b>	<b>% of Holding</b>	<b>No. of Shares</b>	<b>% of Holding</b>
Shree Durga Agencies Limited	1,308,170	14.33	1,308,170	15.97
Supriya Finance Limited	1,819,423	19.93	879,423	10.74
Nirvan Commercial Company Limited	654,465	7.17	654,465	7.99
Maryada Advisory Services Private Limited	1,232,457	13.50	1,232,457	15.05
Babcock Borsig Limited	855,000	9.36	855,000	10.44

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

	As at 31st March, 2016 Rs.		As at 31st March, 2015 Rs.	
<b>NOTE-3</b>				
<b>RESERVES AND SURPLUS</b>				
a) <b>Capital Reserve</b>				
State Subsidies				
As per last Financial Statement	<b>1,976,000</b>		1,976,000	
b) <b>Preference Share Capital Redemption Reserve</b>				
As per last Financial Statement	<b>39,122,000</b>		39,122,000	
c) <b>Securities Premium Reserve</b>				
As per last Financial Statement	<b>4,590,000</b>		4,590,000	
Add: Received during the year	<b>27,260,000</b>		-	
	<b>31,850,000</b>		4,590,000	
d) <b>General Reserve</b>				
As per last Financial Statement	<b>134,750,391</b>		134,750,391	
	<b>207,698,391</b>		180,438,391	
e) <b>Surplus</b>				
As per last Financial Statement	<b>408,785,539</b>		406,164,994	
Add: Profit/(Loss) for the year as per Statement of Profit and Loss	<b>48,034,895</b>		2,620,545	
	<b>456,820,434</b>		408,785,539	
	<b>664,518,825</b>		589,223,930	



**KILBURN CHEMICALS LTD.**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**NOTE - 4**

**CONVERTIBLE WARRANTS**

	No. of Warrants	(Rs.)	No. of Warrants	(Rs.)
Convertible Warrants issued during the year	2,725,000	26,568,750	-	-
	<b>2,725,000</b>	<b>26,568,750</b>	-	-

- a) During the year the Company allotted 27,25,000 Convertible Warrants of Rs.10/- each on preferential basis at a premium of Rs 29/- per warrant. Convertible Warrants issued at a price of Rs. 39/- per Warrant and 25% of consideration is paid at the time of allotment and balance 75% is payable at the time of conversion of Warrants into Equity Shares.
- b) The holder(s) of each Warrant will be entitled to apply for and obtain allotment of one Equity Share against such Warrant within a period not exceeding eighteen (18) months from the date of allotment, in one or more tranches. At the time of exercise of entitlement, the warrant holder shall pay balance of the consideration towards the subscription of each Equity Shares.
- c) In case the holders of warrants do not exercise their right of conversion for the Equity Shares within the aforesaid period, the entitlement of the Warrant holders to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrants shall stand forfeited.
- d) Upon receipt of requisite payment as above, the Board (or a Committee) shall allot one Equity Share against each Warrant by appropriating Rs. 10/- per Equity Share toward Share Capital and the balance towards the Securities Premium Reserve.
- e) The Warrant by itself till converted into Equity Shares, does not give to the holder(s) thereof any right of the Shareholder of the Company.
- f) The Equity Shares issued as above shall be subject to the provisions of Memorandum and Articles of Association of the Company and shall rank Pari-passu in all respects with the existing fully paid-up Equity Shares of the Company.

<b>As at 31st March, 2016 Rs.</b>	<b>As at 31st March,2015 Rs.</b>
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**NOTE NO - 5**

**LONG TERMS BORROWINGS**

**SECURED**

**TERM LOANS**

From Bank of Baroda (Refer Note below)	2,222,500	-
From State Bank of India (Refer Note below)	80,026,630	-
	<b>82,249,130</b>	-

Note :

Secured by first Pari-passu Equitable Mortgage of Immovable properties situated at Dahej in Bharuch district of Gujarat together with movable properties present and future and hypothecation of Current Assets and personal guarantee of Mr. S.K.Jalan, Managing Director and Corporate guarantee of Shree Durga Agencies Limited.

**KILBURN CHEMICALS LTD.**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

The above Consortium Bankers have sanctioned Term Loans of Rs. 166 Crores and have disbursed Rs. 8.22 Crores till 31.03.2016. The sanctioned Term Loans are repayable to each banker as under:-

- i) Rs. 4,98,00,000/- in 3 equal quaterly installments of Rs. 1,66,00,000/- to be paid by the 3rd quarter of the year 2018-19.
- ii) Rs. 39,84,00,000/- in 12 equal quaterly installments of Rs. 3,32,00,000/- to be paid by the 2nd quarter of the year 2019-22.
- iii) Rs. 8,30,00,000/- in 2 equal quaterly installments of Rs. 4,15,00,000/- to be paid by the 4th quarter of the year 2022-23.
- iv) Rs. 29,88,00,000/- in 6 equal quaterly installments of Rs. 4,98,00,000/- to be paid by the 2nd quarter of the year 2023-24.

**NOTE - 6**

**DEFERRED TAX LIABILITIES (NET)**

In compliance with the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has adjusted the Deferred Tax Liability (net) of Rs.4,02,50,662/- for the year in the Statement of Profit and Loss. The Deferred Tax Liability (net) comprises of :

Depreciation on Fixed Assets	<b>95,334</b>	40,345,996
	<b>95,334</b>	40,345,996

**NOTE - 7**

**OTHER CURRENT LIABILITIES**

Unpaid Dividend Accounts(As per Contra)	<b>1,814,665</b>	2,023,626
Preference Share Redemption Account*	-	6,000,000
Others Liabilities		
Other Payables		
To Related Party (Refer Note 30)	<b>114,793</b>	186,793
To Others	<b>11,138,666</b>	2,570,080
Payable to Statutory Authorities	<b>1,709,646</b>	15,050
	<b>14,777,770</b>	10,795,549

\*Represents redemption amount lying unclaimed since 31st March, 2012

**NOTE - 8**

**SHORT-TERM PROVISIONS**

For Gratuity	<b>464,346</b>	464,346
	<b>464,346</b>	464,346

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

## NOTE-9

## FIXED ASSETS

Amount in Rs.

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 01.04.2015	Additions	Adjustments/ Deductions	As at 31.03.2016	Up to 01.04.2015	For the year	Adjustments/ Deductions	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
<b>Tangible Assets</b>										
Freehold Land and Development	4,900,000	-	4,900,000	-	-	-	-	-	-	4,900,000
Leasehold Land and Development*	184,430,489	10,850,800	-	<b>195,281,289</b>	-	-	-	-	<b>195,281,289</b>	184,430,489
Wind Mills	209,559,442	-	209,559,442	-	79,442,480	3,923,103	83,365,583	-	-	130,116,962
Furniture & Fittings	192,565	-	-	<b>192,565</b>	73,760	8,884	-	<b>82,644</b>	<b>109,921</b>	118,805
Vehicles	1,441,666	-	-	<b>1,441,666</b>	521,520	189,560	-	<b>711,080</b>	<b>730,586</b>	920,146
Office Equipments (including Air Conditioner)	424,250	51,400	-	<b>475,650</b>	203,414	98,865	-	<b>302,279</b>	<b>173,371</b>	220,836
Sub Total	400,948,412	10,902,200	214,459,442	<b>197,391,170</b>	80,241,174	4,220,412	83,365,583	<b>1,096,003</b>	<b>196,295,167</b>	320,707,238
Previous year figures	400,948,412	-	-	<b>400,948,412</b>	72,290,291	7,950,883	-	<b>80,241,174</b>	<b>320,707,238</b>	
<b>Intangible Assets</b>										
Computer Software	2,389,530	52,000	-	<b>2,441,530</b>	2,389,530	16,467	-	<b>2,405,997</b>	<b>35,533</b>	-
CDM-PROJECT	2,566,643	-	-	<b>2,566,643</b>	1,220,896	300,596	-	<b>1,521,492</b>	<b>1,045,151</b>	1,345,747
Sub Total	4,956,173	52,000	-	<b>5,008,173</b>	3,610,426	317,063	-	<b>3,927,489</b>	<b>1,080,684</b>	1,345,747
Previous year figures	4,956,173	-	-	<b>4,956,173</b>	3,343,188	267,238	-	<b>3,610,426</b>	<b>1,345,747</b>	
Total	405,904,585	10,954,200	214,459,442	<b>202,399,343</b>	83,851,600	4,537,475	83,365,583	<b>5,023,492</b>	<b>197,375,851</b>	322,052,985
Previous year figures	405,904,585	-	-	<b>405,904,585</b>	75,633,479	8,218,121	-	<b>83,851,600</b>	<b>322,052,985</b>	

\* Represents cost incurred for Leasehold Land allotted by Gujarat Industrial Development Corporation vide Offer - cum- Allotment letter dated 18/03/2011 on License basis on a Lease of nine years for which a lease deed has been executed on 02/01/2016

**KILBURN CHEMICALS LTD.**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>NOTE-10</b>		
<b>CAPITAL WORK-IN-PROGRESS</b>		
<b>Expenses considered by the Company as being Project and Pre-operative Expenditure (Pending allocation to Fixed Assets)</b>		
Paid to Gujrat Industrial Development Corporation*	31,079,646	7,171,330
Interest paid to Gujrat Industrial Development Corporation	31,039,383	31,039,383
Paid to Gujarat Pollution Control Board	150,000	150,000
Up Front Other Charges & Interest to Banks	20,787,114	-
Technical Know how & Engineering Fees	73,644,535	51,105,673
Site Development Charges**	35,040,298	16,580,925
Building & Civil Works	485,054	-
Salary & Wages	22,543,557	17,022,867
Rent Paid	1,594,500	1,120,500
Travelling & Conveyance	2,804,903	1,663,903
Professional Charges	14,472,249	616,179
Miscellaneous Expenses***	1,750,982	1,285,705
	<u>235,392,221</u>	<u>127,756,466</u>

Notes:

\* Includes Penalty for Non-Utilisation of Land Rs.2,26,46,304/- (Previous Year Rs.71,71,330) and Penalty for late submission of plan Rs. 84,33,342/- (Previous Year Nil)

\*\* Includes Lease Rent and Interest Rs. 5,981/- (Previous Year 1,933/-) Infrastructure Fund Rs. 8,30,707/- (Previous year Rs. 8,30,707/-), Service and other charges Rs.3,42,03,610/- (Previous Year Rs.1,57,48,285/).

\*\*\* Includes conveyance , telephone and other miscellaneous expenses amounts whereof not separately ascertained by the management and hence not stated.

**NOTE-11**

**NON-CURRENT INVESTMENTS**

**Other than trade - at cost**

**Unquoted Investments in Equity Shares**

**In Associates**

75,000 Equity Shares of Rs. 10/- each fully paid up of Kilburn Software Technologies India Limited	750,000	750,000
Less: Provision for diminution in value	750,000	750,000
	<u>-</u>	<u>-</u>

**KILBURN CHEMICALS LTD.**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>NOTE-12</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
Security Deposit		
Gujarat VAT/CST Deposit	45,000	45,000
Rent Deposit	38,000	38,000
Gujarat Industrial Development Corporation	2,444,490	-
GIDC Deposit (Water)	61,594	61,594
Deposit against Rent to a Related Party (Refer Note 30)	90,000	90,000
	<u>2,679,084</u>	<u>234,584</u>

**NOTE-13**

**CURRENT INVESTMENTS**

(AT cost or fair market value which ever is lower)

Other than Trade

Investments in Mutual Funds (fully paid-up)

Description	Units	Face Value (Rs.)	Rs.	Units	Face Value (Rs.)	Rs.
ICICI Prudential Flexible Income Plan Premium Growth	70,244.327	100	20,000,000	308,285.427	100	59,076,243
ICICI Prudential Floating Rate Plan D Growth	-	-	-	84,455.173	100	15,044,730
ICICI Prudential Liquid- Regular Plan-Growth	-	-	-	64,173.778	100	12,200,000
ICICI Prudential Ultra Short Term- Regular Growth Plan	-	-	-	934,839.689	10	13,040,546
			<u>20,000,000</u>			<u>99,361,519</u>
Aggregate Amount of Investments			20,000,000			99,361,519
Aggregate Amount of NAV of Investments			20,105,416			125,096,142

**Note 14**

**Trade Receivables**

(Unsecured, Considered Good by the management)

a) Debts outstanding for a period exceeding six months from the date they are due for payment

From Related Party (Refer Note No.30)	3,544,845		3,544,845	
From Others	128,355,603	131,900,448	121,716,299	125,261,144
Less: Provision for Bad & Doubtful Debts		(6,284,008)		-

b) Other Debts		-		1,195,820
		<u>125,616,440</u>		<u>126,456,964</u>

**KILBURN CHEMICALS LTD.**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>NOTE-15</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Balances with Banks		
In Current Accounts	2,209,537	2,524,985
In Escrow Accounts	78,394,759	-
On Unpaid Dividend Accounts (As per Contra)	1,814,665	2,023,626
In Fixed Deposits		
a) With maturity less than 12 months (Fixed Deposit Receipt for Rs.80,000,000 /- pledged with bank as security against Term Loan)	181,909,568	1,343,066
b) With maturity more than 12 months*	38,364	38,364
Cash in hand (as certified by the management)	110,599	12,774
	<u>264,477,491</u>	<u>5,942,815</u>

\*Fixed Deposit Receipt lodged with Government Agency as security for which confirmation certificate was not made available for Auditor's verification.

**NOTE-16**

**SHORT-TERM LOANS AND ADVANCES**

**Unsecured-Considered good by the management**

a) Loan to a Body Corporate (Free of interest)		
To Related Party (Refer Note 30)*	25,001,331	25,501,331
b) Capital Advance	500,000	-
c) Advance to Others		
Income tax Refundable	5,104,431	5,104,431
Sales Tax Refundable	1,462,540	1,462,540
Service Tax Receivable	1,797,517	4,543,534
Prepaid Expenses**	151,361	3,369,991
Others	40,549	194,749
d) Advance payment of Income Tax (Net of Provision of Rs.3,39,00,000/- Previous Year Rs.1,22,879/-)	375,339	138,556
	<u>34,433,068</u>	<u>40,315,132</u>

\* Outstanding for more than 3 years considered good by the management.

\*\* Includes Rs.1,05,000/- (Previous Year Nil) advance rent to Related Party (Refer Note 30)

**NOTE-17**

**OTHER CURRENT ASSETS**

Exports Benefits Receivable	-	463,033
Interest Receivable	-	146,323
	<u>-</u>	<u>609,356</u>

**KILBURN CHEMICALS LTD.**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
<b>NOTE-18</b>		
<b>REVENUE FROM OPERATIONS</b>		
Income From Wind Mill Operation	<u>10,718,056</u>	<u>13,738,158</u>
	<u>10,718,056</u>	<u>13,738,158</u>
<b>NOTE-19</b>		
<b>OTHER INCOME</b>		
Interest from Bank on Fixed Deposits (Tax Deducted at Source Rs.2,36,781/-, Previous Year Rs.11,435/-)	2,367,807	117,615
Profit on Sale of Current Investments	34,460,912	9,240,460
Sundry Balances Written Back	132,634	-
Advance Forfeited on Cancellation of Wind Mill Slump Sale Agreement	3,000,000	-
Profit on Slump Sale of Wind Mills	18,260,239	-
Other Income	513,253	400
	<u>58,734,845</u>	<u>9,358,475</u>
<b>NOTE-20</b>		
<b>EMPLOYEE BENEFITS EXPENSE *</b>		
Salary, Bonus and Exgratia	3,954,480	4,118,520
Medical Reimbursement	58,985	64,082
	<u>4,013,465</u>	<u>4,182,602</u>
*Includes Managing Director's Remuneration Rs.36,40,985/- (Previous Year Rs.36,29,346/-)		
<b>NOTE-21</b>		
<b>FINANCE COSTS</b>		
Interest Expenses		
To Income Tax Department	119,927	1,050
To Others	-	383
	119,927	1,433
Other Borrowing Cost		
Bank Charges	5,223	1,600
	<u>125,150</u>	<u>3,033</u>



**KILBURN CHEMICALS LTD.****NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
<b>NOTE-22</b>		
<b>OTHER EXPENSES</b>		
Rent	1,921,841	1,931,292
Repairs & Maintenance		
- Vehicle	76,484	105,103
- Others	34,910	173,978
Insurance	13,113	119,998
Brokerage paid for Slump Sale	1,500,000	-
Rates and Taxes	236,180	178,232
Directors' Sitting Fee	156,000	92,000
Listing Fee	339,220	112,360
Share Transfer Expenses	150,534	215,592
Electricity Charges	320,394	92,234
Sundry balances written off	169,200	-
Advertisement	21,120	25,731
Legal & Professional Charges	250,131	1,108,295
Wind Mill Maintenance	2,486,115	5,064,562
Travelling and Conveyance	1,768,623	1,504,333
Postage and Courier Charges	851,318	436,928
Printing and Stationery	364,794	313,401
Provision for Bad & Doubtful Debts	6,284,008	-
Exports Benefits Receivable written off	463,033	-
Interest Receivable written off	146,323	-
Security Service Charges	573,300	590,172
Auditor's Remuneration		
- As Auditor (excluding Service Tax)	302,711	308,990
- For other Services	48,540	92,860
- For Limited Review Audit	51,375	61,798
Miscellaneous Expenses	563,311	532,274
	<u>19,092,578</u>	<u>13,060,133</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

23) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances Rs. 5,00,000/-) is Rs.1,93,37,308/-

**24) Contingent Liabilities not provided for in respect of the following:**

Income Tax Demand of Rs. 6,25,55,590/- for the Assessment Year 2012-13 disputed in Appeal.

Income Tax Demand of Rs. 62,93,330/- for the Assessment Year 2013-14 disputed in Appeal.

**25) Retirement Benefits**

Liability in respect of Gratuity upto 31st March, 2016 comes to Rs.25,96,153/- against which the Company has provided Rs.4,64,346/-. Net liability of Rs.21,31,807/- including Rs.1,73,076/- for the current year remained unprovided in the Financial Statements.

26) The Company has not received any information from suppliers regarding their status under Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosure, if any, required to be made under the said Act could not be compiled and disclosed.

27) (i) No provision has been made against the following carried over balances of Receivables from earlier years considered as good and fully recoverable by the management.

Nature of Account	Amounts (Rs.)
(i) Trade Receivables (including Rs. 35,44,845/- due from a related party)	11,45,38,776/-
(ii) Income Tax Refundable	51,04,431/-
(iii) Sales Tax Refundable	14,62,540/-

(ii) Against Trade Receivables of Rs. 11,09,72,664/- in respect of commodity transactions no amount has been realized during the year. The broker through whom such transactions were made has informed that they are continuously pursuing the matter towards recovery of such outstanding amount with NSEL and that the matter is under Judicial Investigation by Forward Market Commission and Economic Offence Wing etc. Considering the present state of affairs, action taken by the Government and other authorities, the management is confident of recovering such dues over a period of time. Accordingly, against such exposure of Rs. 11,09,72,664/- no provision has been considered at this stage and such Trade Receivables has shown as good and fully recoverable.

(iii) Certain carried over balances from earlier years included in Trade Receivables, Trade Payables, other Current Liabilities and Claim Receivables are subject to confirmation/adjustments.

<b>28) Earnings per Share (EPS)</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
(i) Profits (after tax) attributable to the Equity Shareholders (A)	Rs.4,80,34,895/-	Rs.26,20,545/-
(ii) Weighted average number of Equity Shares outstanding during the year (B)		
- Basic	82,31,093	81,90,000
- Diluted	83,50,219	81,90,000
(iii) Nominal value of per Share	Rs.10/-	Rs.10/-
(iv) Earnings per share (A)/(B)		
- Basic	Rs. 5.84	Re. 0.32
- Diluted	Rs. 5.75	Re. 0.32

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**29) Segment Reporting**

The Company's operations during the year comprises of only one segment i.e. Windmill Power Sales as such Accounting Standard 17 on "Segment Reporting" is not relevant. The Geographical Segment is also not relevant as the Company did not have any overseas operations during the year.

**30) Related Party Transactions**

Related Party disclosures as required under Accounting Standard-18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, as certified by the Management, are given below:

**1. Relationship**

**A. Key Management Personnel and their relatives**

- 1) Mr.S.K. Jalan (Managing Director)
- 2) Late B.P. Jalan (Father of Mr. S.K. Jalan, Director)
- 3) Mr. Ashim Kumar Dutta (CEO)
- 4) Mr. S.G Somani (CFO)
- 5) Mr. Mukesh Sharma ( Company Secretary )

**HUF**

M/s. Bajarang Prasad & Son (HUF) [Mr.S.K. Jalan is Karta]

**B. Enterprises over which Key Management Personnel and relatives of such Key Managerial Personnel Exercise Significant Influence**

- 1) Kilburn Office Automation Limited
- 2) Kilburn Software Technologies Limited
- 3) Shree Durga Agencies Limited
- 4) Supriya Finance Limited (formerly Buckingham Financial Services Limited)
- 5) Pushpdant Vyapaar Private Limited
- 6) Arham Vyapaar Private Limited.
- 7) Maryada Advisory Services Private Limited
- 8) Saket Fiscal Services Private Limited
- 9) Nirvan Commercial Company Limited

**2. Disclosure of Transactions with Related Parties during the year**

Nature of Transaction	31.03.2016 Rs	31.03.2015 Rs
<b>1. Rent paid</b>		
a) Late B. P. Jalan	-	9,60,000
b) Nirvan Commercial Company Limited	4,00,000	-
c) M/s Bajarang Prasad & Son (HUF)	8,60,000	3,00,000
<b>2. Managerial Remuneration</b>		
Mr. Sandeep Kumar Jalan	36,40,985	36,29,346
Mr Ashim Kumar Dutta, Chief Executive Officer*	2,14,346	-
Mr. Sunil Gopal Somani, Chief Financial Officer*	12,46,100	10,88,400
Mr. Mukesh Sharma, Company Secretary*	5,09,120	5,08,240

**KILBURN CHEMICALS LTD.**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

<b>3. Refund of Loan given</b>			
Kilburn Office Automation Limited	5,00,000	20,00,000	
<b>Balances as at 31st March</b>			
<b>1. Investments</b>	Kilburn Software Technologies Limited	7,50,000	7,50,000
<b>2. Advances against rent</b>			
Late B. P. Jalan	80,000	-	
Bajarang Prasad & Son (HUF)	25,000	-	
<b>3. Deposits against rent</b>			
Late B.P. Jalan	48,000	48,000	
Bajarang Prasad & Son (HUF)	42,000	42,000	
<b>4. Loan given</b>			
Kilburn Office Automation Ltd.	2,50,01,331	2,55,01,331	
<b>5. Other Payables</b>			
Kilburn Office Automation Ltd	1,14,793	1,14,793	
Late B.P Jalan	-	72,000	
<b>6. Trades Receivables</b>			
Kilburn Office Automation Ltd.	35,44,845	35,44,845	

\*Managerial Remuneration debited to Preoperative Expenditure.

**31) Additional information pursuant to the provisions of Schedule III of the Companies Act, 2013.**

	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Expenditure in Foreign Currency</b>		
Travel (purchase of travelers cheques / foreign currencies/ exchange)(as certified)	6,37,934	5,49,925

**32)** The amount of Rs.2,07,136/- lying in Unpaid Dividend Account for the year 2007-2008 has been transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under, on 03/02/2016 the due date of which was 04/09/2015.

**33)** The previous year's figures have been regrouped, rearranged wherever found necessary.

Signature to Notes 1 to 33

As per our report of even date  
For V.Singhi & Associates  
Chartered Accountants  
Firm Regn No.311017E  
(Sunil Singhi)  
Partner  
Membership No. 060854  
Place: Kolkata  
Date: 13.05.2016

**For and on behalf of the Board**  
**A. K. Dutta**                      **S. K. Jalan**  
Chief Executive Officer          Managing Director

**Sunil G. Somani**                      **V. Vanchi**  
Chief Financial Officer              Director

**Mukesh Sharma**  
Company Secretary

*If undelivered please return to :*

**MAHESWARI DATAMATICS PVT. LTD.**

Unit : Kilburn Chemical Ltd.

6, Mangoe Lane, 2nd Floor

Kolkata - 700 001