



BOARD OF DIRECTORS

Mr. G.S. Kandoi	: Chairman cum Managing Director
Mr. Manish Singhal	: Executive Director
Mr. R. C. Maheswari	: Whole Time Director
Mrs. Savitri Kandoi	: Non-Executive Director
Mr. Radhey Shyam Gemini	: Independent Director
Mr. Rameshwar Pareek	: Independent Director
Mr. Kamlesh Sharma	: Independent Director
Mr. Raj Kumar Agarwal	: Independent Director

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REGISTERED OFFICE

C-171, Road No.9J, V.K.I. Area,
Jaipur-302013, Rajasthan.

MANAGEMENT EXECUTIVE

Company Secretary & Compliance Officer
CS Harshit Attar

Chief Financial Officer

Shiv Ratan Sharma

BANKER

STATE BANK OF INDIA
HDFC BANK LTD.

AUDITOR

M/s R. Sogani & Associates
Chartered Accountants,
Shri Dham, R-20, Yudhishter Marg,
C-Scheme, Jaipur

SECRETARIAL AUDITOR

M/s. Arms & Associates LLP
Company Secretary in Practice,
24 Ka 1, Jyoti Nagar, Jaipur

REGISTRAR & SHARE TRANSFER AGENT

M/s. Niche Technologies Pvt. Ltd
D-511, Bagree Market, 71, B. R. B. Basu Road,
Kolkatta 700001

DEPOSITORY PARTICIPANT

National Securities Depository Ltd.
Central Depository Services (India) Ltd

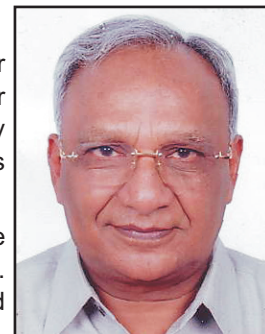
WORKS

1. Plot No. SP-4/3, RIICO Industrial Area, Village & Post Keswana, Tehsil Kotputli, District Jaipur-303108
2. Plot No. SP-4/3A, RIICO Industrial Area, Village & Post Keswana, Tehsil Kotputli, District Jaipur-303108
3. C-171, Road No.9J, VKI Area, Jaipur-302013

CHAIRMAN'S MESSAGE

Dear Fellow Shareowners,

My colleagues on the Board and I extend warm welcome and express their gratitude to the all present here at this 37th Annual General Meeting of your Company. The Board Report and Audited Financial Statements of the Company for the year ended March 31, 2017 along with the Auditors' Report thereon has been with you.



During FY 2017-18, the global economic activity is expected to pick-up with the long-awaited cyclical recovery in investment, manufacturing and trade. Expectation of robust global demand, reduced deflationary pressures and optimistic financial markets are other upside developments expected in future. Downside risks to global growth include increasing policy uncertainty in major advanced economies, financial market disruptions and weakening potential.

On the domestic front, two radical policy actions viz demonetization and the momentum gained in the implementation of the Goods and Service Tax Act resulted in slower than expected growth during the year under review. Rising of Rupees against USD will be a big loss to the company along with few changes made in GST regime. Despite this the Indian Economy has been a bright spot in the global landscape. India remained the fastest growing economy, after surpassing China as the fastest growing major economy in the world. This was aided by strong consumption growth and Government's policy decisions ensuring fiscal consolidation and controlling inflation.

The Indian Textile Industry continued to reel under pressure on account of increased cost and decreased profitability. These factors resulted in a dip in the Company's bottom-line, however due to well anticipated policy changes resulted in the Company's Top line yet gain touching a new high. Your Company continued to deliver stable operational and financial progress during the period under review. We are delighted to see our revenue from operation achieving new milestone of Rs.22641.74 lacs in FY 2016-17 as against Rs.21432.63 lacs in FY 2015-16, an increase of 5.64% on a year on year basis. KGPL also achieved its record level of export (FOB) Rs.18870.78 lacs in F.Y. 2016-17 in comparison to Rs.16574.67 lacs in FY 2015-16, thus increased by 13.85 %. Profit before tax and exceptional item was Rs. 1565.64 lacs as against Rs.940.11 lacs in the previous year. These results were fuelled by the remarkable acceptance of our product in overseas as well as in domestic market. Further, we do believe that the multiple initiatives taken this year will result in benefits that will be sustained and far-reaching in nature.

Further I am glade to inform that due to demand of artificial leather, your company has decided to setup a separate new unit in the name of Ultra Polycoats for manufacturing artificial leather at KeswanaKotputli with installed capacity of 50 Lac mtr/pa of Coated Fabric and expecting that production of unit will commence in the last quarter of current financial year.

As we look ahead to greater prosperity in the years ahead, I would like to express my appreciation to all our employees, for their contribution towards the performance of KGPL. I would also like to extend my gratitude towards our Customers and suppliers for their loyalty and trust in us. And to all of our shareholders, I would like to express my sincere appreciation for their continued encouragement and support.

With warm regards,

G.S. KANDOI

Chairman



KG Petrochem Limited

CIN: L24117RJ1980PLC001999

Registered Office: C-171, Road NO.9J, V.K.I. Area, Jaipur Rajasthan-302013

Email: jproffice21@bhavik.biz Website: www.kgpetro.in

NOTICE

Notice is hereby given that the 37th Annual General Meeting of members of KG PETROCHEM LIMITED will be held on Thursday, 21.09.2017 at 10.30 A.M at C-171, Road No 9J, VKI Area, Jaipur 302013, Rajasthan to transact the following business:

ORDINARY BUSINESS:

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

1. **“RESOLVED THAT** the Audited Balance Sheet as on 31st March, 2017 and the Statement of Profit and Loss Account and the Cash Flow Statement for the financial year ended 31.03.2017 and the Report of the Board of Directors and the Auditors thereon, be and are hereby approved and adopted”.
2. **“RESOLVED THAT** Mr.Manish Singhal (DIN: 00120232) Director of the Company, who retires by rotation at this meeting pursuant to the provisions of Section 152 (6) (c) of the Companies Act 2013, being eligible for reappointment, be and is hereby appointed as a Director of the Company.”
3. **“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 and subject to approval by members of the Company, the appointment of M/s. R Sogani & Associates, Chartered Accountants (FRN 018755C), as the Statutory Auditors of the Company for a term of consecutive five years starting from conclusion of the 34th Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company be and is hereby ratified at the 37th Annual General Meeting of the Company at such remuneration as may be finalized by the Board of Directors of the Company in consultation with the Auditors.”

SPECIAL BUSINESS:

4. Appointment of Mrs. Prity Singhal as Director.

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 152 and other applicable provisions, if any, of the Companies Act, 2013 (including any modification or re-enactment thereof), Mrs. Prity Singhal (DIN: 02664482) be and is hereby appointed as a Director of the Company liable to retire by rotation.”

5. Ratification of remuneration of Mr. Ramesh Chand Maheshwari.

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 Sections 196, 197 & 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Rules made thereunder, including any statutory modification thereof, or any other law the Company hereby ratifies the remuneration of Rs.40000/- paid to Mr. Ramesh Chand Maheshwari, whole time director for the period of 01.08.2016 to 31.07.2017.”



6. Appointment of Mrs. Prity Singhal as Whole Time Director.

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 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any modification or re-enactment thereof), consent of the Members be and is hereby accorded to the appointment of Mrs. Prity Singhal (DIN: 02664482) as the Whole Time Director of the Company with effect from 01.10.2017 to 31.07.2020 upon the following terms and conditions, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during her said tenure, with liberty to the Board of Directors [which term shall include the Nomination and Remuneration Committee (“NRC”)] to alter and vary the terms and conditions of the said re-appointment as it may deem fit.” liable to retire by rotation.”

Nature OF Duties	The Executive Director shall, devote her whole time and attention to the business and operations of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries and/or associated companies, including performing duties as assigned by the Board from time to time by serving on the boards of such companies or any other executive body or any committee of such a company
Salary Range inclusive of all allowances	Rs.2,50,000 - Rs.10,00,000/- per month As may be decided by the board of directors in consultation with Nomination and Remuneration Committee
Perquisites in addition to salary	<p>A. Housing: The expenditure incurred by the Company on hiring unfurnished accommodation subject to a Ceiling of sixty percent of the salary. In case the accommodation is owned or taken on lease by the Company, the company shall deduct ten percent of the salary of the appointee.</p> <p>B. Expenditure incurred by the company on Gas, Electricity, Water etc. will be valued as per Income Tax Rules, 1962.</p> <p>C. Medical/Hospitalization Expenses Reimbursement of Expenses incurred for the appointee and the family in accordance with the rules of the company.</p> <p>D. Leave Travel Concession: Leave Travel Concession for self and family in accordance with the rules of the company. Club Fees: Fees of Clubs subject to maximum of two clubs, admission and life membership fees to be paid as per rules of the Company.</p> <p>E. Club Fees: Fees of Clubs subject to maximum of two clubs, admission and life membership fees to be paid as per rules of the Company.</p>

	<p>F. Personal Medical/ Accident Insurance etc.: Coverage for Personal Medical/ Accident Insurance/ Keyman Insurance or any other coverage as per rules of the Company and annual premium for the same to be paid by the Company.</p> <p>Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes.</p> <p>Notes: For the purpose of perquisites stated herein above, family means spouse, dependent children and dependent parents of the appointee.</p> <p>Perquisites shall be evaluated as per Income Tax Rule wherever applicable and in the absence of any such rule. Perquisites shall be evaluated at actual cost.</p>
Retirement Benefits	<p>A. Company's Contribution towards Provident Fund, Super-annuation fund or Annuity Fund shall be as per the Rules of the Company and this amount shall not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act 1961.</p> <p>B. Gratuity payable shall be in accordance with the rule of the company.</p> <p>C. Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be encashable of Leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites. Other benefits</p>
Other benefits	<ol style="list-style-type: none"> 1. Provision of car with Driver for use in Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company. 2. The appointee shall be entitled to reimbursement of entertainment expenses actually and properly incurred during the course of legitimate business of the company. 3. The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company.
Minimum Remuneration	<p>Where in any financial year during the currency of tenure of the managing director, Whole Time Director the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above.</p>



7. To Consider the re-appointment and increase in remuneration of SHRI GAURI SHANKER KANDOI (DIN 00120330), Managing Director of the company and if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution.

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

“RESOLVED THAT pursuant to the provisions of Sections 196,197,198, 203 and other applicable provisions, if any, read alongwith Schedule V of the Companies Act, 2013 (“the Act”),and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company do hereby accord their approval for the reappointmentof Mr Gauri Shanker Kandoi (DIN: 00120330) as the Chairman cum Managing Director of the Company for a period of 3 (three) years from 01.08.2017 to 31.07.2020 upon the following terms and conditions, including theremuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure, with liberty to the Board of Directors [which term shall include the Nominationand Remuneration Committee (“NRC”)] to alter and vary the termsand conditions of the said re-appointment as it may deem fit.

Nature OF Duties	The Executive Director shall, devote his whole time and attention to the business and operations of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries and/or associated companies, including performing duties as assigned by the Board from time to time by serving on the boards of such companies or any other executive body or any committee of such a company
Salary Range inclusive of all allowances	Rs.6,00,000 - Rs.20,00,000/- per month As may be decided by the board of directors in consultation with Nomination and Remuneration Committee
Perquisites in addition to salary	<p>A. Housing: The expenditure incurred by the Company on hiring unfurnished accommodation subject to a Ceiling of sixty percent of the salary. In case the accommodation is owned or taken on lease by the Company, the company shall deduct ten percent of the salary of the appointee.</p> <p>B. Expenditure incurred by the company on Gas, Electricity, Water etc. will be valued as per Income Tax Rules, 1962.</p> <p>C. Medical/Hospitalization Expenses Reimbursement of Expenses incurred for the appointee and the family in accordance with the rules of the company.</p> <p>D. Leave Travel Concession: Leave Travel Concession for self and family in accordance with the rules of the company.</p>



	<p>E. Club Fees: Fees of Clubs subject to maximum of two clubs, admission and life membership fees to be paid as per rules of the Company.</p> <p>F. Personal Medical/ Accident Insurance etc.: Coverage for Personal Medical/ Accident Insurance/ Keyman Insurance or any other coverage as per rules of the Company and annual premium for the same to be paid by the Company.</p> <p>Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes.</p> <p>Notes: For the purpose of perquisites stated herein above, family means spouse, dependent children and dependent parents of the appointee.</p> <p>Perquisites shall be evaluated as per Income Tax Rule wherever applicable and in the absence of any such rule. Perquisites shall be evaluated at actual cost.</p>
Retirement Benefits	<p>A. Company's Contribution towards Provident Fund, Super-annuation fund or Annuity Fund shall be as per the Rules of the Company and this amount shall not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act 1961.</p> <p>B. Gratuity payable shall be in accordance with the rule of the company.</p> <p>C. Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be encashable of Leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.</p>
Other benefits	<ol style="list-style-type: none"> 1. Provision of car with Driver for use in Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company. 2. The appointee shall be entitled to reimbursement of entertainment expenses actually and properly incurred during the course of legitimate business of the company. 3. The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company.
Minimum Remuneration	<p>Where in any financial year during the currency of tenure of the managing director, Whole Time Director the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above.</p>



8. To Consider the re-appointment and increase in remuneration of SHRI MANISH SINGHAL (DIN 00120232), Whole Time Director of the company and if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read alongwith Schedule V of the Companies Act, 2013 (“the Act”), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company do hereby accord their approval for the reappointment of Mr Manish Singhal (DIN: 00120232) as Whole Time Director of the Company for a period of 3 (three) years from 01.08.2017 to 31.07.2020 upon the following terms and conditions, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure, with liberty to the Board of Directors [which term shall include the Nomination and Remuneration Committee (“NRC”)] to alter and vary the terms and conditions of the said re-appointment as it may deem fit.

Nature OF Duties	The Executive Director shall, devote his whole time and attention to the business and operations of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries and/or associated companies, including performing duties as assigned by the Board from time to time by serving on the boards of such companies or any other executive body or any committee of such a company
Salary Range inclusive of all allowances	Rs.6,00,000 - Rs.20,00,000/- per month As may be decided by the board of directors in consultation with Nomination and Remuneration Committee
Perquisites in addition to salary	<p>A. Housing: The expenditure incurred by the Company on hiring unfurnished accommodation subject to a Ceiling of sixty percent of the salary. In case the accommodation is owned or taken on lease by the Company, the company shall deduct ten percent of the salary of the appointee.</p> <p>B. Expenditure incurred by the company on Gas, Electricity, Water etc. will be valued as per Income Tax Rules, 1962.</p> <p>C. Medical/Hospitalization Expenses Reimbursement of Expenses incurred for the appointee and the family in accordance with the rules of the company.</p> <p>D. Leave Travel Concession: Leave Travel Concession for self and family in accordance with the rules of the company.</p>



	<p>E. Club Fees: Fees of Clubs subject to maximum of two clubs, admission and life membership fees to be paid as per rules of the Company.</p> <p>F. Personal Medical/ Accident Insurance etc.: Coverage for Personal Medical/ Accident Insurance/ Keyman Insurance or any other coverage as per rules of the Company and annual premium for the same to be paid by the Company.</p> <p>Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes.</p> <p>Notes: For the purpose of perquisites stated herein above, family means spouse, dependent children and dependent parents of the appointee.</p> <p>Perquisites shall be evaluated as per Income Tax Rule wherever applicable and in the absence of any such rule. Perquisites shall be evaluated at actual cost.</p>
Retirement Benefits	<p>A. Company's Contribution towards Provident Fund, Super-annuation fund or Annuity Fund shall be as per the Rules of the Company and this amount shall not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act 1961.</p> <p>B. Gratuity payable shall be in accordance with the rule of the company.</p> <p>C. Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be encashable of Leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.</p>
Other benefits	<ol style="list-style-type: none"> 1. Provision of car with Driver for use in Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company. 2. The appointee shall be entitled to reimbursement of entertainment expenses actually and properly incurred during the course of legitimate business of the company. 3. The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company.
Minimum Remuneration	<p>Where in any financial year during the currency of tenure of the managing director, Whole Time Director the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above.</p>



9. To Consider the re-appointment and increase in remuneration of SHRI RAMESH CHAND MAHESHWARI (DIN 00091429), Whole Time Director of the company and if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution.

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

SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 (“the Act”), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company do hereby accord their approval for the reappointment of Mr Ramesh Chand Maheshwari (DIN: 00091429) as Whole Time Director of the Company for a period of 3 (three) years from 01.08.2017 to 31.07.2020 upon the following terms and conditions, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure, with liberty to the Board of Directors [which term shall include the Nomination and Remuneration Committee (“NRC”)] to alter and vary the terms and conditions of the said re-appointment as it may deem fit.

Nature OF Duties	The Executive Director shall, devote his whole time and attention to the business and operations of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries and/or associated companies, including performing duties as assigned by the Board from time to time by serving on the boards of such companies or any other executive body or any committee of such a company
Salary Range inclusive of all allowances	Rs.40,000 - Rs.1,00,000/- per month As may be decided by the board of directors in consultation with Nomination and Remuneration Committee
Perquisites in addition to salary	<p>A. Housing: The expenditure incurred by the Company on hiring unfurnished accommodation subject to a Ceiling of sixty percent of the salary. In case the accommodation is owned or taken on lease by the Company, the company shall deduct ten percent of the salary of the appointee.</p> <p>B. Expenditure incurred by the company on Gas, Electricity, Water etc. will be valued as per Income Tax Rules, 1962.</p> <p>C. Medical/Hospitalization Expenses Reimbursement of Expenses incurred for the appointee and the family in accordance with the rules of the company.</p> <p>D. Leave Travel Concession: Leave Travel Concession for self and family in accordance with the rules of the company.</p>