



KANDOI GROUP

ANNUAL REPORT

2022-2023

KG PETROCHEM LIMITED

CIN: L24117RJ1980PLC001999

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Gauri Shanker Kandoi (DIN: 00120330)

Chairman cum Whole Time Director

Mr. Manish Singhal (DIN: 00120232)

Managing Director

Mrs. Prity Singhal (DIN: 02664482)

Whole Time Director

Mr. Ajay Kumar Sharma (DIN: 09404189)

Executive Director

Mr. Vani Jain (DIN: 08260267)

Additional Independent Director

Mr. Vikas Damani (DIN: 00385807)

Independent Director

Mr. Bridhi Chand Sharma (DIN: 08370330)

Independent Director

Mr. Anand Mishra ((DIN : 00288257)

Independent Director

STATUTORY AUDITORS

M/s R. SOGANI & ASSOCIATES

Chartered Accountants,

Shri Dham, R-20, Yudhishter Marg

C-Scheme, Jaipur-302005 RJ

SECRETARIAL AUDITOR

M/s ARMS & ASSOCIATES LLP

Practicing Company Secretaries

24 Ka 1, Jyoti Nagar, Jaipur-302005 RJ

REGISTRAR & SHARE TRANSFER AGENT

M/s NICHE TECHNOLOGIES PVT. LTD

Room No. 7A & 7B, 7th Floor

3A Auckland Place, Kolkata-700017 WB

BOARD COMMITTEES

Audit Committee

Mr. Bridhi Chand Sharma (Chairperson)

Mr. Anand Mishra

Mr. Vikas Damani

Nomination & Remuneration Committee

Mr. Bridhi Chand Sharma (Chairperson)

Mr. Anand Mishra

Mr. Vikas Damani

Stakeholders Relationship Committee

Mr. Bridhi Chand Sharma (Chairperson)

Mr. Gauri Shanker Kandoi

Mr. Manish Singhal

Corporate Social Responsibility Committee

Mr. Gauri Shanker Kandoi (Chairperson)

Mr. Manish Singhal

Mr. Bridhi Chand Sharma

Finance Committee

Mr. Gauri Shanker Kandoi (Chairperson)

Mr. Manish Singhal

Mr. Bridhi Chand Sharma

CHIEF FINANCIAL OFFICER

Mr. Deepak Singhvi (12th November, 2020 till 13th February, 2023)

Mrs. Prity Singhal (from 10th August, 2023)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Aditya Trivedi (till 01st May, 2022)

Mr. Arpit Sukhwil (from 27th October, 2022 to 17th December 2022.

Mr. Himanshi Dhakad (Presently from 30th May, 2023

DEPOSITORY PARTICIPANT

National Securities Depository Ltd.

Central Depository Services (India) Ltd

PRINCIPAL BANKERS



REGISTERED OFFICE

C-171, ROAD NO.9J,
VKI Area, Jaipur-302013,
Rajasthan

CORPORATE OFFICE

F- 394(G), Road No. 9F2
VKI Area, Jaipur-302013,
Rajasthan

WORKS

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

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CHAIRMAN'S MESSAGE

I am pleased to share with you an update on your company's performance for 2022-23. I am presenting the 43rd Annual Report of KG Petrochem Limited reflecting on our accomplishments during the financial year 2022-23.

Financial Year 2022-23, a year that has brought both challenges and opportunities to our esteemed textile business. As we reflect on the past year, it is evident that our company's resilience, strategic focus, and commitment to excellence have been the cornerstones of our success.

The global textile industry experienced a dynamic and evolving landscape during the financial year. Our main export market, viz. USA is facing inflation resulting in subdued demand for our products. In addition to this on account of increase in input cost of raw material and finance cost, Company's Net Profit has declined. Considering the USA market scenario, company has been able to deliver satisfactorily financial results. While the ongoing pandemic continued to pose challenges, it also underscored the importance of adaptability and innovation. I am proud to state that our company not only weathered these challenges but emerged stronger due to our unwavering dedication and collective efforts.

One of the highlights of this financial year was our emphasis on sustainability and responsible business practices. We recognized the imperative to minimize our environmental footprint and implemented various initiatives to promote sustainable sourcing, reduce waste, and conserve energy. Our efforts in this regard have not only demonstrated our commitment to a greener future but have also resonated positively with our environmentally conscious stakeholders.

The financial year 2022-23 also saw us investing significantly in our human capital. Our employees, with their dedication and expertise, have been the driving force behind our achievements. We continue to foster a culture of learning, collaboration, and inclusivity, ensuring that our workforce remains our most valuable asset.

Financially, I am pleased to report that despite the uncertainties posed by the global environment, our company maintained a steady growth trajectory. Our prudent financial management, coupled with our strategic investments, has yielded positive results, ensuring sustainable value creation for our shareholders.

Looking ahead, we remain cautiously optimistic about the future. While challenges persist, we are confident that our strategic vision and commitment to innovation will enable us to navigate these challenges successfully. We will continue to embrace change, adapt to evolving market dynamics, and uphold the values that have been the cornerstone of our company's journey.

In closing, I extend my heartfelt gratitude to our shareholders, customers, employees, bankers and all stakeholders for their unwavering support. Together, we have achieved remarkable milestones, and together, we will build an even brighter future for our textile business.

With Warm Regards,

Gauri Shanker Kandoi
Chairman cum Whole-Time Director
DIN: 00120330
Jaipur, August 19 , 2023

NOTICE OF 43RD ANNUAL GENERAL MEETING

Notice is hereby given that the 43rd Annual General Meeting (AGM) of the Members of **KG Petrochem Ltd** will be held on Friday September 15, 2023 at 12.30 P.M. (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - (a) The Audited Financial Statements of the company for the financial year ended on March 31, 2023 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Prity Singhal (DIN: 02664482), who retires by rotation at this AGM and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. **To appoint Mrs. Vani Jain (DIN: 08260267) as an Independent Non-Executive Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, *(including any statutory modification(s) or re-enactment thereof, for the time being in force)*, and other applicable provisions of the Act, read with rules made there under and the Article of Association and pursuant to the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors Mrs. Vani Jain (DIN: 08260267) who was appointed by the Board of Directors as an Additional Director (Independent) of the Company w.e.f. 21st June, 2023 and who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act, rules made there under and Regulation 16(1)(b) (as amended) of the Listing Regulations and who is eligible, for appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act have been received in the prescribed manner, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years with effect from 21st June, 2023 to 31st May, 2028.”

4. **To consider and approve the re-appointment of Mr. Gauri Shanker Kandoi (DIN:00120330), as Chairman cum Whole-Time Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of section 196, 197,198 and 203 read with Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), on the recommendation of the Nomination and Remuneration Committee, and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, Consent of the Company be and is hereby accorded to approve the re-appointment of Mr. Gauri Shanker Kandoi (DIN:00120330) as Chairman cum Whole-Time Director of the Company with effect from 1st August, 2023 to 31st July, 2026 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 reappointment as it may deem fit."

Nature of Duties	The Whole-Time 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 inclusive of all allowances	Rs.20,00,000/- per month or as may be decided by the board of directors but not more than 20,00,000/- p.m.

Perquisites in addition to salary	<p>1. Housing: The expenditure incurred by the Company on hiring unfurnished accommodation addition to salary 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>2. Expenditure incurred by the company on Gas, Electricity, Water etc. will be valued as per Income Tax Rules, 1962.</p> <p>3. Medical/Hospitalization Expenses Reimbursement of Expenses incurred for the appointee and the family in accordance with the rules of the company.</p> <p>4. Leave Travel Concession: Leave Travel Concession for self and family in accordance with the rules of the company.</p> <p>5. 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>6. 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>1. 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>2. Gratuity payable shall be in accordance with the rule of the company.</p> <p>3. Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be en-cashable 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	<p>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.</p> <p>2. The appointee shall be entitled to reimbursement of entertainment expenses actually and properly incurred during</p>

	<p>the course of legitimate business of the company.</p> <p>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.</p>
Minimum Remuneration	Where in any financial year during the currency of tenure of the 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 Sections 198 and all other applicable provisions of the Companies Act, 2013

5. To consider and approve the re-appointment of Mr. Manish Singhal (DIN: 00120232), as Managing Director of the Company.

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), on the recommendation of the Nomination and Remuneration Committee, and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, consent of the company be and is hereby accorded to re-appoint Mr. Manish Singhal (DIN: 00120232) as Managing Director of the Company, for a period of 3 (Three) years from 01st August, 2023 to 31st July, 2026 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 reappointment as it may deem fit.

Nature of Duties	The Managing 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 inclusive of all allowances	Rs.20,00,000/- per month or as may be decided by the board of directors but not more than 20,00,000/- p.m.

Perquisites in addition to salary	<ol style="list-style-type: none"> 1. Housing: The expenditure incurred by the Company on hiring unfurnished accommodation addition to salary 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. 2. Expenditure incurred by the company on Gas, Electricity, Water etc. will be valued as per Income Tax Rules, 1962. 3. Medical/Hospitalization Expenses Reimbursement of Expenses incurred for the appointee and the family in accordance with the rules of the company. 4. Leave Travel Concession: Leave Travel Concession for self and family in accordance with the rules of the company. 5. 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. 6. 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>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	<ol style="list-style-type: none"> 1. 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. 2. Gratuity payable shall be in accordance with the rule of the company. 3. Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be en-cashable of leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.
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

	<p>the course of legitimate business of the company.</p> <p>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.</p>
Minimum Remuneration	Where in any financial year during the currency of tenure of the 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 Sections 198 and all other applicable provisions of the Companies Act, 2013

6. To Consider the re-appointment of Mrs. Prity Singhal (DIN: 02664482), Whole-Time Director of the company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as **SPECIAL RESOLUTION**.

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), on the recommendation of the Nomination and Remuneration Committee, and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, consent of the company be and is hereby accorded to re-appoint Mrs. Prity Singhal (DIN:02664482) as Whole-Time Director of the Company, for a period of 3 (Three) years from the expiry of her present term of office, that is, with effect from 1st August, 2023 to 31st July, 2026 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 reappointment as it may deem fit.

Nature of Duties	The Whole Time 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 her by the Board from time to time and separately communicated to her and exercise such powers as may be assigned to her, 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 inclusive of all allowances	Rs.20,00,000/- per month or as may be decided by the board of directors but not more than 20,00,000 p.m.