

KAPIL COTEX LTD

CIN : L17100MH1983PLC031114

35TH ANNUAL REPORT

2017-2018

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KAPIL COTEX LIMITED

REGD. OFFICE: UG- 276, DREAMS MALL, L. B. S. MARG, NEAR BHANDUP RAILWAY STATION,

BHANDUP (WEST), MUMBAI - 400078

CIN: L17100MH1983PLC031114

Tel No: 91-(22)- 21660432

Email ID: kapilcotexlimited@yahoo.co.in

BOARD OF DIRECTORS:

Mr. PRAKASHCHANDRA RATHI (DIN- 01393087)	:	Chairman & Director
Ms. Poonam Rathi (DIN- 01274428)	:	Director
YOGESH NANDLAL CHANDAK (DIN- 01274080)	:	Director
PANKTI CHETAN BHANSALI (DIN- 02883120)	:	Non Independent Non-Executive Director w.e .f. 07/09/2017
RAKESH R. SOMANI (DIN 02554166)	:	Independent Non-Executive Director w.e.f. 04/09/2017)
JAGDISH MANOHAR MANTRI (DIN 02632596)	:	Independent Non-Executive Director w.e.f. 07/09/2017)

BANKERS:

Federal Bank
Opp Swani Narayan Mandir,
Dadar (East),
Mumbai

AUDITORS:

R K Somani & Associates.,
Chartered Accountants
B-103, Jainam Arcade,
B.T.Mills Compound,
Near SBI, L B S Marg,
Bhandup (west), Mumbai - 400078

SECRETARIAL AUDITORS:

Mishra & Associates

REGISTRAR & SHARE TRANSFER AGENT:

Address: Unit. No 49, Building No. 13 AB, 2nd Floor,
Samhita Commercial Co-Op Society Ltd,
Off Andheri Kurla Rd, MTNL Lane,
Sakinaka, Mumbai-400072.
Telephone.:+91-22-28520461/462
Fax: +91-22-2851 1809
E-mail : service@satellitecorporate.com

LISTING OF EQUITY SHARES:

BSE Limited

NOTICE

NOTICE is hereby given that **35TH ANNUAL GENERAL MEETING** of the members of **KAPIL COTEX LIMITED** will be held on Saturday the 29th September, 2018 at 4.00 p.m. at the Registered Office of the Company at, Dreams Mall. L. B. S. Marg, Near Bhandup Railway Station, Bhandup (W), Mumbai – 400 078 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2018, and report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Prakash Chandra Rathi (Din No. 01274080), who retires by rotation, and being eligible offers himself for re-appointment.
3. Ratification of appointment of Statutory Auditors and fixing their remuneration:

“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. R. K. Somani & Associates, Chartered Accountants (ICAI Firm Registration No. 118666W), as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Thirty Sixth AGM of the Company at such remuneration as shall be fixed by the Board of Directors of the Company”.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE FORM OF PROXY FOR THE ANNUAL GENERAL MEETING IS ENCLOSED. PROXY IN ORDER TO BE VALID MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING
2. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
3. The Register of Members and Share Transfer Books of the Company will remain closed from the Tuesday 25th September, 2018 to Saturday 29th September, 2018 (both days inclusive)

4. Members are requested to notify immediately any change in their address to the Company alongwith any change in their bank details already registered with the company.

5. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM) may also attend the AGM) but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26th September, 2018 (10:00 am) and ends on 28th September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote evoting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select “EVEN” of “Kapil Cotex Limited”.

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

(x) Upon confirmation, the message “Vote cast successfully” will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to office@mishraandassociates.in with a copy marked to evoting@nsdl.co.in.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2018.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or service@satellitecorporate.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option

available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. 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 ballot paper.
- XIII. *Mishra & Associates*, Practicing Company Secretaries, (Membership No. ACS 41066) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Kapil Cotex Limited and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai and National Stock Exchange of India Limited.

Registered Office
UG-276, Dreams Mall.
L. B. S. Marg,
Near Bhandup Railway Station,
Bhandup (W), Mumbai – 400 078
Date: 30/05/2018

BY ORDER OF THE BOARD

Prakash Rathi
Director
Din: 01393087
305,BEWICHING **APARTMENT**
MINILAND TANK ROAD BHANDUP (W)
MUMBAI- 400078.

DIRECTORS' REPORT 2017-2018

To,
The Members,
Kapil Cotex Limited

The Directors have pleasure in submitting their 35th ANNUAL REPORT along with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2018

FINANCIAL RESULTS

	Current Year ended 31.03.2018	Current Year ended 31.03.2017
	(Rs.)	(Rs.)
Income		
Revenue from operations	0	0
Other Income	6,45,891	23,01,045
Total Revenue	6,45,891	23,01,045
Less : Total Expenses (Excluding Depreciation)	6,24,512	20,37,878
Profit/(Loss) Before Depreciation & Taxation	21,379	2,63,167
# (-) Depreciation	56,491	43,864
Profit/(Loss) Before Taxation & Extra-Ordinary Items	(35,112)	2,19,303
Less: Extra Ordinary Items	0	11,53
Profit/(Loss) Before Taxation	(35,112)	2,18,150
(-) Provision for Taxation		
(i) Current Tax	0	34,800
(ii) Deferred Tax	6,606	788
(iii) Income Tax Provision earlier year	0	15,602
Profit/(Loss) for the year	(41,718)	1,66,960

OPERATIONAL REVIEW:

Total revenues for the year ended 31st March, 2018 is Rs. 6,45,891/-, as against Rs. 23,01,045/- in the previous year. Profit before depreciation and taxation is Rs. 21,379/- as against Rs. 2,63,167/- in the previous year. The net profit/(Loss) of the Company for the year under review was placed is (Rs. 41718/-) as against Rs. 1,66,960/- in the previous year.

DIVIDEND

In view of loss incurred by the company, the directors are not recommending any dividend.

SHARE CAPITAL

The paid up equity capital as on March 31, 2018 was Rs.1,04,00,000/-. During the year under review, the Company has not issued any shares.

MATERIAL CHANGES AND COMMITMENTS

There have not been any material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company as on March 31, 2018 and the date of this report i.e. May 30, 2018.

GENERAL

During the financial year 2017-18, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 and rules made there under.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

The Company has in place policy as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, company has no women employees during the year.

DIRECTOR & KMP

Mr. Prakash Rathi retires by rotation and, being eligible, offers himself for re-appointment. The Directors recommend Mr. Prakash Rathi for re-appointment.

There has been three Changes in the constitution of Board during the year Mr. Rakesh Sompani & Mr. Jagsih Mantri were appointed as additional Director w.e.f. 04/09/2017 & 07/09/2017 respectively and appointed as Independent Non-Executive Director w.e.f. 29th September, 2017. And Mr. Prakash Rao was resigned from the directorship of the company w.e.f. 13/02/2018.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit,

DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a

true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

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

iv) The directors have prepared the annual accounts on a going concern basis.

v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year Five Board Meetings were convened and held and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

SN	Date of Meeting
1.	31/05/2017
2.	07/09/2017
3.	14/09/2017
4	14/12/2017
5	13/02/2018

RELATED PARTY TRANSACTIONS:

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The detail of the investments made by company is given in the notes to the financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Director.

The Accounts Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies.

Based on the report of internal audit function, corrective action is taken and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted as per the section 178(1) of the Companies Act, 2013.

AUDIT COMMITTEE

The Company's Audit Committee has been constituted as per section 177 of the Companies Act, 2013. Four meetings of the Audit Committee were held during the financial year 2017-18.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company's Stakeholders Relationship Committee has been constituted as per section 177 of the Companies Act, 2013. Two meetings of the Stakeholders Relationship Committee were held during the financial year 2017-18

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any.

The FRM 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.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.