



KAYCEE INDUSTRIES LIMITED

Kaycee for Commitment...

Kaycee for Quality...

78th ANNUAL REPORT 2020-21



KAYCEE INDUSTRIES LIMITED

CIN: L70102MH1942PLC006482

Board Members

| | |
|--------------------------------|---|
| Mr. N Rangachary | Chairman - Independent Director |
| Mr. Chandra Prakash Jain | Whole Time Director - Resign. w.e.f. 12.05.2021 |
| Mr. R Doraiswamy | Non Executive And Non Independent |
| Mr. D Rajeshkumar | Non Executive And Non Independent |
| Mr. Jayaraman Balasubramanian | Independent Director |
| Mr. Jitendra Kantilal Vakharia | Independent Director |
| Mr. Dileep Gupte Keshavrao | Independent Director |
| Mrs. Manimegalai Arumugam | Non Executive And Non Independent |

Manager cum Chief Operating Officer

Mr. K Raman

Chief Financial Officer

Mr. Deepak Potdar

Company Secretary

Mr. Harshal Patil

Registered Office

Old Kamani Chambers,
32 Ramjibhai Kamani Marg,
Ballard Estate, Mumbai - 400 001.
Contact: 022-22613521/22/23
Website : www.kayceeindustries.com

Factory Address

Plot No. F-25,
Addl. Ambarnath Industrial Area,
Anand Nagar, Ambarnath (East),
Thane - 421 502.

Bankers

Saraswat Bank, S M E Lower Parel, Mumbai.

Statutory Auditors

M/S A. R. Sodha & Co.
Chartered Accountants
101, "Ashiana", 11th Road,
T.P.S. III, Opp. B.M.C. Hospital,
Santacruz (East), Mumbai - 400 055.

Secretarial Auditors

AASHIT DOSHI & ASSOCIATES
Practicing Company Secretaries
B/16, Krupali, Saibaba Nagar,
Borivali (W), Mumbai - 400 092.

Registrar and Share Transfer Agent

Datamatics Financial Services Limited
Plot No. A-16 & 17, Part 'B' Cross Lane,
MIDC, Andheri (E), Mumbai - 400 093.
Contact : 022-66712188 • Website : www.datamatics.com

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NOTICE

NOTICE is hereby given that the **SEVENTY EIGHTH ANNUAL GENERAL MEETING** of the members of **KAYCEE INDUSTRIES LIMITED** will be held on **Wednesday, August 4, 2021, at 12:00 noon** through Video Conferencing(VC) /Other Audio Visual Means(OAVM) to transact the following business:-

ORDINARY BUSINESS:

Item No. 1 – Adoption of financial statements

To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors with its annexures and auditors thereon;

“RESOLVED THAT the Audited Financial Statement comprising of balancesheet as at March 31, 2021, statement of profit and loss for the year ending on that date, Cash Flow statement and Statement of Changes in Equity as on that date and the reports of the Board of Directors alongwith annexures and Auditors thereon, as circulated to the Shareholders, be and are hereby received, considered and adopted.”

Item No. 2 – Declaration of dividend

To declare a final dividend of Rs.30 per equity share for the year ended March 31, 2021.

“RESOLVED THAT a dividend at the rate of Rs.30(30%)per equity share of Rs.100/-each fully paid-up of the Company be and is hereby declared for the financial year 2020-21 and the same be paid as recommended by the Board of Directors of the Company, out of the Profit of the Company for the financial year ended March 31, 2021.

Item No. 3 – Appointment of Mr. R Doraiswamy as a director liable to retire by rotation

To appoint a director in place of Mr. R Doraiswamy (DIN: 00003131), who retires by rotation and being eligible, offer himself for re-appointment.

“RESOLVED THAT in pursuance of Section 152 and other applicable provisions of the Companies Act, 2013, and in accordance with provision contained in the Articles of Association of the Company. Mr. R Doraiswamy (DIN: 00003131), a retiring Director at this Annual General Meeting be and is hereby re-appointed as a Director of the Company, subjected to determination of his office by means of retirement by rotation at the Annual General Meeting.”

Item No. 4 – Appointment of statutory auditors

To appoint M/s. R Subramanian and Company LLP, Chartered Accountants, (FRN.004137S/S200041) as a Statutory Auditor of the Company.

“RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force

(including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), as recommended by the Board of Directors of the company, the approval of the members of the Company be and is hereby accorded to the appointment of M/s. R Subramanian and Company LLP, Chartered Accountants (FRN.: 004137S/S200041), Chennai as Statutory Auditors of the Company as filled by the board as on May 31, 2021 in the casual vacancy caused by resignation of statutory auditors M/s. A R Sodha & Co, Chartered Accountants, ICAI Registration No. 110324W Mumbai.

“RESOLVED FURTHER THAT pursuant to the provision of section 139(8) and other applicable provisions, if any of the Companies Act 2013 as ammended from time to time or any other law for the time being in force (including any statutory modification or ammendment thereof or re-enactment thereof for the time being inforce) as recommended by the Board of Directors of the Company. M/s. R Subramanian and Company LLP, Chartered Accountants, (FRN.: 004137S/S200041), be and are hereby appointed as Statutory Auditors of the Company from this Annual General Meeting and that they shall hold the office of the Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the eighty third Annual General Meeting of the Company to be held in year 2026 on such remuneration as may be fixed by the Board of Directors in consultation with them.”

“RESOLVED FURTHER THAT any of the Board of Directors and Chief Operating Officer of the Company, be and is, hereby empowered and authorised to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary e-forms with Registrar of Companies.”

Special business

Item No. 5 - Appointment of Mr. Raman Krishnamoorthy as a Manager cum Chief Operating Officer of the Company

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as Ordinary Resolutions.

“RESOLVED THAT pursuant to Sections 196, 197 and 203 of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Act, consent of the members be and is hereby accorded to the appointment of Mr. Raman Krishnamoorthy as Manager cum Chief Operating Officer of the Company for a period of Three years with effect from May 1, 2021 on the following terms and conditions.

- Salary : 150000-10000-170000
- Allowances & Perquisites
- Medical benefits as per Company's rules
- Reimbursement of travel expenses both India and abroad as per company's rules
- Leave Travel concession for self, wife and family as per Company's rules
- Premium on Personal Accident Policy as per Company's rules
- Company Contribution towards PF as per Company's rules
- Gratuity not exceeding 15 days salary for each completed year of service
- Leave Encashment as per Company's rules.
- Free use of car with Driver for official use and telephone facility at the residence including mobile phone for official use as per Company's rules.

“RESOLVED FURTHER THAT in the event of there being loss or inadequate profit for any financial year during the tenure of office, the aforesaid remuneration payable to Mr. Raman Krishnamoorthy, a Manager cum Chief Operating Officer of the Company shall be the minimum remuneration payable to him in terms of provisions of schedule V, part II section II read with the relevant sections of the Companies Act, 2013 being in force from time to time.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the terms and conditions of appointment and remuneration specified above may be revised, enhanced, altered and varied from time to time, by the Board of Directors of the Company, including any Committee thereof, as it may, in its discretion deem fit, so as not to exceed the limits specified in Schedule V to the Act including any amendments, modifications made hereinafter in this regard.”

“RESOLVED FURTHER THAT Board be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

Item No. 6 – Re-appointment of Mr. J Balasubramanian (DIN 01525552), as an Independent Director of the Company

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as Special Resolutions

“RESOLVED THAT, pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 and such other rules, as may be applicable (including statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force) and in terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and based on recommendations of Nomination & Remuneration Committee, and the board, Mr. J Balasubramanian (DIN 01525552), who was appointed as an Independent Director of the Company at the 77th Annual General Meeting of the Company and who holds office of the Independent Director up to September 26, 2021 and who is eligible for being re-appointed as an Independent Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) the Companies Act 2013, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from September 27, 2021 to September 26, 2026.”

Item No. 7 – Change in the designation of Mr. Jitendra Vakharia (DIN:00047777)

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as Special Resolutions.

“RESOLVED THAT in a partial modification of the resolutions passed by shareholders at the 76th AGM of the Company held on September 27, 2019, with respect to appointment of Mr. Jitendra Vakharia (DIN:00047777) as a Non-Executive and Independent Director of the Company and pursuant to recommendations by Nomination & Renuneration Committee and the board, the members do hereby consider, ratify and approve the re-designation of office of Mr. Jitendra Vakharia from being “Non-Executive and Independent” to “Non Executive and Non Independent” effective from June 26, 2021 and whose term of office is liable to determination by retirement by rotation.”

Item No. 8 – Approval for appointment of Mr. Jitendra Vakharia (DIN:00047777), a Non-Executive & Non-independent Director of the Company, to the office or place of Profit of the Company

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as Special Resolutions

“RESOLVED THAT pursuant to the provisions of Section 188(1)(f), 197 & 198 and Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (Act), including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time, and as recommended by the Nomination and Remuneration Committee, Audit Committee and board, the members do hereby consider, ratify and approve the appointment of Mr. Jitendra Vakharia (DIN:00047777) (Non- Executive and Non Independent Director), to the office or place of profit for a term of three years w.e.f. July 01, 2021 at a monthly remuneration of Rs.1,00,000/- (Rupees One Lakh Only) for providing such services as may be indicated/ assigned by the Board or its Committee during the tenure.”

“RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profit for any financial year during the tenure of office, the aforesaid remuneration payable to Mr. Jitendra Vakharia, shall be the minimum remuneration payable to him, in terms of the Provisions of Schedule-V, Part II – Sec -II, read with the relevant sections of the Companies Act, 2013 being in force from time to time.”

By the order of the Board of Directors

Jitendra Vakharia
Director
(DIN: 00047777)

Date: June 26, 2021
Place: Mumbai

Notes :

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the day of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kayceeindustries.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular

No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

8. Members whose shareholding is in electronic mode are requested to direct notifications about change of address and updates about bank account details to their respective depository participants(s) (DP).
9. Members may note that the Board of Directors, in its meeting held on May 12, 2021 has recommended a final dividend of Rs.30 per share. The record date for the purpose of final dividend for fiscal 2021 will be July 30, 2021. The dividend, once approved by the members in the ensuing AGM will be paid within the stipulated time from the date of AGM, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses. To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA)- M/s Datamatics Financial Services Ltd (where shares are held in physical mode) to receive the dividend directly into their bank account on the payout date.
10. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the rate of TDS applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

- a) **For resident shareholders**, taxes shall be deducted at source under Section 194 of the IT Act as follows

| | |
|------------------------------------|--|
| Members having valid PAN | 10% or laid by the Act and rules made thereunder |
| Members not having PAN / valid PAN | 20% or laid by the Act and rules made thereunder |

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2021-22 does not exceed Rs. 5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

- b) **For non-resident shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Act and the rules on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the

Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following :

- i. Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member
- ii. Copy of Tax Residency Certificate (TRC) for the FY 2020-21 obtained from the revenue authorities of the country of tax residence, duly attested by member
- iii. Self-declaration in Form 10F
- iv. Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty
- v. Self-declaration of beneficial ownership by the non-resident shareholder
- vi. Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member. In case of Foreign Institutional Investors/Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (Plus applicable surcharge and cess)

The aforementioned documents are required to be uploaded on the shareholder portal at anand_bhilare@datamaticsbpm.com and rajendra_jadhav@datamaticsbpm.com.

11. Members wishing to claim dividends that have remain unclaimed are requested to correspond with the RTA as mentioned above or with the Company Secretary at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall too be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.
12. The Board of Directors has appointed Mr. Aashit Doshi, Practicing Company Secretary as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
13. The Facility for voting shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
14. 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.
15. The e-voting period commences on August 1, 2021, Sunday (9:00 a.m. IST) and ends on August 3, 2021, Tuesday (5:00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on July 28, 2021 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on July 28, 2021.

16. Any person holding shares in physical form and non-individual share holder who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. July 28, 2021 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system.

17. In compliance with the Circulars, the Annual Report 2020-21, the Notice of the 78th AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
18. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.
19. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
20. As per the provisions of Section 72 of the Companies Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to register to submit these details to their DP in case the shares are held by them in electronic form and to the RTA in case the shares are held in physical form.
21. The Scrutinizer will submit his report to the Chairman of the Company (“the Chairman”) or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer’s report shall be communicated to the stock exchanges, NSDL, and RTA and will also be displayed on the Company’s website www.kayceeindustries.in.
22. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **August 1, 2021, Sunday at 9:00 A.M. and ends on August 3, 2021, Tuesday at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. July 28, 2021, may cast their vote electronically. The voting right of shareholders