

99<sup>th</sup>  
Annual Report  
& Accounts 2018





## CHAIRMAN'S MESSAGE

It may be early days yet to predict a booming global economic landscape. Nonetheless, the appearance of green shoots in the present environment is unmistakable. The US economy is on much stronger ground than it was even a year back. However, policy consistency is not a trait that the country specialises in. It needs to, for instance, positively respond to the less antagonistic overtures emanating from North Korea. A possible détente in Asia could well effectuate peace in the region. Such developments, should they eventually transpire, could irretrievably alter economic equations worldwide.

While the US continues to send out indications that it may not easily abandon protectionism, it recognises too that China is looking over its shoulder. China's vice like grip on world trade has the potential of propelling that country as the world's largest economy in the not too distant future. That would leave the US in second place!

India, in this scenario, is well positioned to take advantage of a young population circa 2020. In a world characterised by limited population growth, the country could possibly account for a major chunk of the global workforce, subject always to the caveat that standards of literacy and that of tertiary education in this country improve enough to make them employable globally. Certainly, on one side, the country seeks to turn the Malthusian population theory on its head. But on the other, the resultant enhancement of the populace's purchasing power presages a blessing for the domestic economy. With a middle-class, whose progression in terms of numbers and income can only accelerate, all pointers allude to India emerging as a major economic power house.

Even today, India is no less an economic power given rising incomes and a steady elevation of aspirations of its working population. The country did undergo a brief period of fiscal disruptions in the recent past but these are now behind. The Goods and Services Tax regime has begun delivering results after an initial spell of uncertainty. Inflation is also well within the band set for monetary policy. An upturn has already been reported in industrial production as compared to the previous year. By all accounts, this tempo should be maintained.

We, in Kesoram, fully recognise and appreciate that as the domestic economy expands we must at least be in sync with the curve. To this end, we are revamping our business processes and have initiated several confidence inspiring measures in our Businesses to usher in a new paradigm in the way we operate.

I must thank my colleagues on the Board for so unfailingly sharing their insights on Kesoram's path forward. I am grateful also to each one of our stakeholders. They have unhesitatingly guided us in the pursuit of our goals.

**Basant Kumar Birla**



## BOARD OF DIRECTORS

**Basant Kumar Birla, *Chairman***

DIN 00055856

**Manjushree Khaitan, *Executive Vice Chairperson***

DIN 00055898

**Amitabha Ghosh**

DIN 00055962

**Lee Seow Chuan**

DIN 02696217

**Siddhartha Mohanty**

DIN 08058830

**Kashi Prasad Khandelwal**

DIN 00748523

**Jikyeong Kang**

DIN 08045661

**Sudip Banerjee**

DIN 05245757

**Tridib Kumar Das**

*Whole-time Director & CFO*

DIN 01063824

**Chander Kumar Jain**

*Whole-time Director*

DIN 08125968

**Gautam Ganguli**

*Company Secretary*

## Registered Office

8th Floor, Birla Building  
9/1, R.N. Mukherjee Road  
Kolkata – 700 001  
Phone No : +91 33 22435453 / 22429454 / 22135121  
Fax No : +91 33 22109455, CIN: L17119WB1919PLC003429  
Website : [www.kesocorp.com](http://www.kesocorp.com); E-mail: [corporate@kesoram.net](mailto:corporate@kesoram.net)

## Bankers

Axis Bank Ltd.  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
IndusInd Bank Ltd.  
Kotak Mahindra Bank Ltd.  
Lakshmi Vilas Bank Ltd.  
Punjab National Bank Ltd.  
State Bank of India – Lead Bank  
The South Indian Bank Ltd.  
YES Bank Ltd.

## Auditors

Messrs. Deloitte Haskins & Sells

## Share Transfer Agent

MCS Share Transfer Agent Limited,  
(Unit: Kesoram Industries Ltd.)  
12/1/5, Manoharpukur Road,  
Kolkata – 700 026  
Phone No : +91 33 40724051-54  
Fax No : +91 33 40724050  
E-Mail : [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com)

Members seeking any information on the Annual Report & Accounts are requested to send their queries to the Company at least ten days before the date of the Meeting. Members are requested to bring their copies of Annual Report to the Meeting.

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## NOTICE

TO THE MEMBERS

NOTICE is hereby given that the **Ninety-ninth Annual General Meeting of KESORAM INDUSTRIES LIMITED** will be held at 11.00 A.M. on Friday, 13<sup>th</sup> day of July, 2018 at "Kala-Kunj" (within the premises of Kala Mandir), 48, Shakespeare Sarani, Kolkata – 700 017, to transact the following business:

### General Business:

1. To consider and adopt (a) the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2018 and the Reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2018 and the Report of the Auditors thereon.
2. To appoint a Director in place of Basant Kumar Birla (DIN 00055856), who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business:

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

3. **"RESOLVED THAT** Jikyeong Kang (DIN 08045661), appointed as an Additional Director on 10<sup>th</sup> January, 2018, be and is hereby appointed an Independent Director of the Company under Section 152(2) of the Companies Act, 2013 for an initial period of five years from the conclusion of Company's Ninety-ninth Annual General Meeting till the conclusion of Company's One Hundred and fourth Annual General Meeting."
4. **"RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Mani & Co., Cost Accountants, Kolkata, the Company's Cost Auditors be paid a remuneration of ₹5.50 Lakhs (excluding applicable Taxes and reimbursement of actual travelling and other out of pocket expenses) for conducting the audit of the Company's cost accounting records for the Financial Year 2017 - 18 be and is hereby ratified and confirmed."

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

5. **"RESOLVED THAT** pursuant to Sections 196, 197 and Schedule V of the Companies Act, 2013 ("the Act") and the Rules made thereunder and subject to such approvals, if any, as may be necessary, consent of the Company be and is hereby accorded to the appointment of Chander Kumar Jain (DIN 08125968) as a Whole-time Director of the Company, for a period of one year effective 4<sup>th</sup> May, 2018 and payment of remuneration to him for this period, upon the terms of remuneration set out herein below:
  - (a) Basic Salary & Allowances: Not exceeding ₹258 lakhs per annum as may be decided by the Board or any Committee thereof from time to time and as may be permissible under the provisions of Schedule V of the Companies Act, 2013.
  - (b) Car with chauffeur for official use only and extension of communication facilities in the form of wi-fi and telephone including cell phone for official purposes will not be reckoned as remuneration.
  - (c) No Fees payable for attending Meetings of the Board or any Committee thereof, where so appointed.
  - (d) In the event of loss/inadequacy of profits during tenure, the above remuneration including perquisites shall be payable as minimum remuneration, subject to such approvals as may be necessary, under Schedule V of the Act.
  - (e) Any expenditure wholly and exclusively incurred for the business of the Company will not be treated as remuneration. Such expenditure will either be paid by the Company directly or reimbursed to him.

**RESOLVED FURTHER** that the appointment shall be terminable:

- (a) by efflux of time ; or
- (b) by one party serving the other a three months' written notice;

**RESOLVED FURTHER** that for the purpose of giving effect to the Resolution, the Board be and is hereby authorised to do all other acts, deeds and things as are or may be expedient and necessary."

### Registered Office:

9/1, R. N. Mukherjee Road,  
Kolkata - 700 0011  
11<sup>th</sup> May, 2018

### By Order of the Board

Gautam Ganguli  
**Company Secretary**

**Notes:**

1. A Member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote instead of himself / herself and a proxy need not be a Member of the Company. The Instrument of Proxy must be lodged with the Company not less than 48 hours before the Meeting.  
A person can act as a Proxy on behalf of Members not exceeding fifty and holding in aggregate shares not more than 10 percent of the total Share Capital of the Company.  
Proxies submitted on behalf of Companies / Association of Persons (AoP) must be supported by an appropriate Resolution/Authority, as applicable.
2. The Register of Members shall remain closed from 7<sup>th</sup> July, 2018 to 13<sup>th</sup> July, 2018 (both days inclusive).
3. The relevant Statement, pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") in respect of the items of Special Business is annexed hereto.
4. As per Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the facility of casting votes through the electronic voting system from a place other than the venue of the Meeting ("remote e-Voting") under an arrangement with The National Securities Depository Limited ("NSDL") as specified more fully in the instructions hereunder:
  - a. The items of business set out in the attached Notice may, however, be transacted also through the electronic voting system as an alternative mode of voting provided that once a vote on a Resolution is cast, a Member shall not be allowed to change it subsequently or cast his/her vote again.
  - b. The facility for voting through Ballot shall also be made available at the Meeting venue and Members attending the Meeting, who have not already cast their vote by remote e-Voting, shall be permitted to vote by ballot at the Meeting.
  - c. Members who have cast their votes through remote e-Voting prior to the Meeting may attend the Meeting but shall not be entitled to cast their vote again.
5. The Notice of Meeting is also available on the Company's website [www.kesocorp.com](http://www.kesocorp.com) and the website of The National Securities Depository Limited ("NSDL") at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
6. 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" i.e. 6<sup>th</sup> July, 2018, shall be entitled to avail the facility for remote e-Voting or voting at the Annual General Meeting ("AGM") through Ballot. A person who is not a Member on the cut-off date must treat this Notice for information only.
7. Members holding shares in physical form are requested to notify change of address, if any, along with address proof i.e. Voter Identity Card, Aadhaar Card, Electric/Telephone Bill, Driving License, Passport and Bank Statement to the **Share Department of the Company / Registrar and Share Transfer Agent**. In case shares are held in dematerialised form, then this information should be passed on to the respective **Depository Participant(s)** and not to the **Share Department of the Company / Registrar and Share Transfer Agent**.
8. In case the mailing address mentioned on the envelope of this Annual Report is either without Pin Code or with incorrect Pin Code, Members must advise the correct Pin Code to the **Share Department of the Company / Registrar and Share Transfer Agent** or the respective **Depository Participant(s)**, as the case may be, immediately, for speedier delivery in future.  
Pursuant to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, Members are hereby requested to update their PAN and Bank details with the **Share Department of the Company / Registrar and Share Transfer Agent** for the purpose of payment of Dividend.
9. a) Members desirous of receiving Notices and/or documents from the Company through the electronic mode are urged to update their email addresses with their **Depository Participant(s)**, where shares are held in electronic form or the **Share Department of the Company / Registrar and Share Transfer Agent** where shares are held in physical form.



- b) Email addresses of Members as advised to the **Share Department of the Company / Registrar and Share Transfer Agent** where shares are held in physical mode or **registered with Depositories** where shares are held in the electronic mode will be deemed to be the Member's registered email address for serving Company documents / notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs until and unless otherwise advised to the Company in writing. Members intending to refresh / update their email addresses should do so as soon as possible.
10. Members holding Shares, in physical form, in identical order of names in more than one Folio, are requested to write to the **Share Department of the Company / Registrar and Share Transfer Agent** enclosing the relevant Share Certificates requesting consolidation of such Folios into one Folio for their own convenience.
11. As per the provisions of the Act, the facility for making / varying / cancelling nominations is available to individuals holding shares in the Company. Nominations can be made in **Form SH-13** and any variation / cancellation thereof can be made by giving notice in **Form SH-14**, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the **Share Department of the Company / Registrar and Share Transfer Agent or from the website or the Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in)**.
12. a) Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 dividends for the Financial Year ended 31<sup>st</sup> March, 2011 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the '**Investor Education and Protection Fund**' ("**IEPF**") constituted by the Central Government. Members, who have not encashed their dividend, warrant(s) for the Financial Year ended 31<sup>st</sup> March, 2011 or any subsequent Financial Year(s) are urged to claim such amount from the **Share Department of the Company/Registrar and Share Transfer Agent**.
- b) Pursuant to the Provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 29<sup>th</sup> June, 2017 (the date of the last Annual General Meeting) on the website of the Company **[www.kesocorp.com](http://www.kesocorp.com)** and also on the website of the Ministry of Corporate Affairs.
- c) Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred 340251 Equity Shares in respect of which dividend had not been paid or claimed by the a member for seven consecutive years, to the Demat Account of the Investor Education and Protection Fund Authority. The Company had sent a communication to all members concerned and also had published a Notice in a leading Newspaper both in English and in the regional language, with respect to the formalities and process of such transfer. The Company had also uploaded full details of such members, whose dividend remains unclaimed on its website **[www.kesocorp.com](http://www.kesocorp.com)**.
- d) Members / claimants whose shares, unclaimed dividend etc. have been transferred to the IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with the requisite fees. Members / claimants must file only one consolidated claim in a Financial Year as per the IEPF Rules.
- e) Members are requested to claim their unclaimed shares lying with the Company by sending proper documentary evidence to establish their bona fides. Till such claim, as per Para E in Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting rights on such shares shall remain frozen.
13. Last dates of claim for the following dividends are as follows:

Dividend for the Financial Year ended	Date of declaration of Dividend	Last date for claiming unpaid Dividend
31 <sup>st</sup> March, 2011	5 <sup>th</sup> July, 2011	3 <sup>rd</sup> August, 2018
31 <sup>st</sup> March, 2012	11 <sup>th</sup> July, 2012	9 <sup>th</sup> August, 2019
31 <sup>st</sup> March, 2013	31 <sup>st</sup> July, 2013	2 <sup>nd</sup> September, 2020

14. a) Electronic copy of the Annual Report 2017 - 18, Notice of the aforesaid AGM, *inter alia*, indicating the process and manner of remote e-Voting along with Attendance Slip and Proxy Form have been sent to all Members, whose email IDs are registered with the Company's Registrar & Share Transfer Agent Depository Participant(s), for communication purposes unless a Member has requested for a hard copy of the same. For Members who have not registered their email IDs, physical copies of the Annual Report 2017 – 18, Notice of the AGM along with Attendance Slip, Electronic Voting Particulars and Proxy Form are being sent to their registered addresses.
- b) **Corporate Members/AOPs are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Act, authorising their representative to attend and vote at the Annual General Meeting.**
- c) Members desirous of getting any information in relation to the Company's Annual Report 2017 - 18 are requested to address their query(ies) well in advance, i.e. **at least 10 days before the Meeting**, to the Company Secretary to enable the Company keep the information readily available at the Meeting.
- d) Members holding shares in Electronic Form, are requested to bring their Depository ID Number and Client ID Number to facilitate their identification for recording attendance at the forthcoming Annual General Meeting.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for all securities market transactions. Thereafter, it was clarified vide Circular no. MRD/DOP/Cir-05/2009 dated May 20, 2009 that for securities market transactions and off market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for transferee(s) to furnish a copy of PAN Card to the **Share Department of the Company / Registrar and Share Transfer Agent** for registration of such transfer of shares. Hence, Members holding shares in the electronic form are requested to submit their PANs to their **Depository Participant(s)** with whom they maintain their Demat Accounts. Members holding shares in physical form should submit their PAN details to the **Share Department of the Company / Registrar and Share Transfer Agent**.
16. **As per requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars relating to appointment and re-appointment of Directors are given in the Corporate Governance Section of the Annual Report.**
17. For those Members opting for remote e-Voting, the process and manner of remote e-Voting will be as follows:
  - A. The voting period begins from **9.00 A.M. on Tuesday, 10<sup>th</sup> July, 2018** and ends at **5.00 P.M. on Thursday, 12<sup>th</sup> July, 2018**. During this period, Members of the Company, holding Shares either in physical form or in dematerialised form, as on the **cut-off date ("record date")** i.e. **6<sup>th</sup> July, 2018**, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. The facility for voting through Ballot shall be made available at the Meeting to the Members as on the **"cut-off date"** i.e. **record date**, attending the Meeting, who have not cast their vote by remote e-Voting shall be able to exercise their right to vote at the Meeting through Ballot.
  - B. In case a Member receives an email from NSDL:
    - (i) Open email and open PDF file viz; "KIL 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 e-Voting. Please note that the password is an initial password.  
**NOTE:** Shareholders already registered with NSDL for e-Voting will not receive the PDF file "KIL e-Voting.pdf".
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on **Shareholder – Login**.
    - (iv) Put your user ID and password. 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 **"Kesoram Industries Limited"**.