



KOTHARI
PRODUCTS LIMITED



31st annual report
2014-2015

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Cautionary Statement

Statements in this annual report describing the company's objectives, projections, estimates and expectations may be forward looking statements with in the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the international trade, exchange rate fluctuations, significant changes in economic environment, slow down in infrastructure sector etc.

BOARD OF DIRECTORS

Chairman & Managing Director

DEEPAK KOTHARI

Executive Director

MITESH KOTHARI

Directors

DR. AVINASH GUPTA

PRAMOD KUMAR TANDON

VIKAS CHATURVEDI

ARTI KOTHARI (upto 28th July, 2015)

POONAM ACHARYA (w.e.f. 24th July, 2015)

CS & Compliance Officer

RAJ KUMAR GUPTA

Chief Financial Officer

ANURAG TANDON

AUDITORS

MEHROTRA & MEHROTRA

Chartered Accountants

16/49, Civil Lines,

Kanpur - 208 001.

REGISTERED OFFICE & SECRETARIAL DEPARTMENT

"Pan Parag House", 24/19, The Mall, Kanpur -208 001

Visit us on internet at : <http://www.kothariproductions.in>

E - mail : info@kothariproductions.in

Ph. Nos. (0512) 2312171 - 74, Fax No. (0512) 2312058

INVESTORS' GRIEVANCE E-MAIL ID

rkgupta@kothariproductions.in

AUDIT COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

DEEPAK KOTHARI

DR. AVINASH GUPTA

VIKAS CHATURVEDI

STAKEHOLDERS RELATIONSHIP COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

DEEPAK KOTHARI

MITESH KOTHARI

DR. AVINASH GUPTA

NOMINATION & REMUNERATION COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

DR. AVINASH GUPTA

VIKAS CHATURVEDI

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

DEEPAK KOTHARI

DR. AVINASH GUPTA

RISK MANAGEMENT COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

VIKAS CHATURVEDI

DR. AVINASH GUPTA

DEEPAK KOTHARI



M. M. KOTHARI
Our Founder Chairman



Chairman's Message

Dear Fellow Share Owners,

I am happy to share my views with you once again this year.

Last year, I shared my optimism about the future growth in India in view of a stable Government at the Centre.

It was quite evident by way of recovery in Economy with lower fiscal and Current Account Deficit, lowering of Interest rates by RBI, lower rate of Inflation, stable and sustainable

Government Policies, all provided encouragement for an overall more positive economic out - look.

International economy however, is yet to gain momentum. Although the leading developed economy has showed some signs of momentum but some Geo-political concerns are still genuine.

International Crude Oil prices continued to decline which has contained our inflation rate to some extent. Less volatile currency market as compared to the year gone by contributed to stability in International Trade. Looking ahead, I am quite optimistic about the International Trade to grow at a good pace.

Your Company registered a satisfactory growth both in terms of Revenue from Operations and Profits. To share the success among all the share owners, your Directors have recommended a higher dividend this year. We are looking forward to continue to generate sustained value for our all the stake holders.

"Make in India" initiative of the Government augurs well not only for the growth of domestic industry but for the International Trade as well. I am quite hopeful that this initiative will definitely lead to rapid growth of domestic economy. Government's focus in infrastructure investment will boost the sentiments in Infrastructure and Real Estate sectors which witnessed a sluggish growth in the recent past.

As a responsible Corporate Citizen, we are committed to the cause of Socio, Economic and Environmental parameters. Our group is dedicated towards philanthropic activities in the fields of education, Community initiatives etc. The Company has contributed an amount of Rs.1.52 Cr towards the Corporate Social Responsibility (CSR) activity.

I extend my sincere thanks to my passionate “TEAM” and take great pride in their efforts. I extend my gratitude to all the stake holders including Consortium of Banks lead by Allahabad Bank for their unflinching support and faith in us.

Thank you all for your continued support which I sincerely appreciate and looking forward to a yet another successful year.

With best wishes
Yours truly



Deepak Kothari

Place : Kanpur
Dated : 28th July, 2015

NOTICE :

Notice is hereby given that the Thirty First Annual General Meeting of the Members of Kothari Products Limited will be held on Thursday, the 24th September, 2015 at Hotel Vijay Intercontinental, 10/510, Khalasi Line, Tilak Nagar, Near Rave-3, Kanpur at 11:30 A.M., to transact the following businesses:-

ORDINARY BUSINESS :

1. To consider and adopt the Audited Standalone & Consolidated Balance Sheets of the Company as at 31st March, 2015 and the Profit & Loss Accounts for the financial year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To declare dividend for the aforesaid financial year.
3. To appoint a Director in place of Sri Mitesh Kothari (DIN : 00089076), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Mehrotra & Mehrotra, Chartered Accountants, retiring Auditors, as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 160 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, rules as may be applicable (including statutory modification(s) or re-enactment(s) thereof for the time being in force), Smt. Poonam Acharya (holding DIN No.: 07238992) who was appointed as an Additional Director w.e.f. 24th July, 2015 by the Board of Directors of the Company, pursuant to the provision of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT Sri Raj Kumar Gupta CS & Compliance Officer and Sri Deepak Kothari, Chairman & Managing Director of the Company be and are hereby severally authorized to digitally sign & file necessary eForm with the concerned R.O.C. office in respect of the aforesaid appointment and to do, sign & execute all the necessary acts & documents in connection therewith."

Regd. Off :
'PAN PARAG HOUSE'
24/19, THE MALL
KANPUR – 208 001

DATE : 11th August, 2015

**By Order of the Board
for KOTHARI PRODUCTS LTD.**

Sd/-
(RAJ KUMAR GUPTA)
CS & Compliance Officer

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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY BUT ONE PERSON CAN REPRESENT AS PROXY FOR NOT MORE THAN 50 MEMBERS AND FOR MEMBERS HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE MEETING IS ENCLOSED.

2. Proxies, in order to be effective should be completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

3. The Register of Members of the Company shall remain closed from Thursday, 17th September, 2015 to Thursday, 24th September, 2015 (both days inclusive).

4. The Dividend for the year ended 31st March, 2015 as recommended by the Board, if approved by the members, will be paid to the physical members whose names appear in the Company's Register of Members after giving effect to all valid transfer requests in physical form lodged with the Company or its Registrar & Share Transfer Agent (RTA) on or before Wednesday, 16th September, 2015. In respect of shares held in electronic form, the dividend will be payable on the basis of their beneficial ownership as at the end of aforesaid date as per details furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. for this purpose.

THE MEMBERS HOLDING PHYSICAL SHARES ARE, IN THEIR OWN INTEREST, ADVISED TO SEND IMMEDIATELY REQUESTS FOR CHANGE OF ADDRESS AND BANK PARTICULARS, IF ANY, TO OUR REGISTRAR i.e. ALANKIT ASSIGNMENTS LTD., CORPORATE OFFICE, "ALANKIT HEIGHTS", 1E/13 JHANDEWALAN EXTENSION, NEW DELHI – 110 055, PHONE NOS. (011) 23541234 & 42541234 & FAX NO. (011) 41543474. HOWEVER, THE MEMBERS HOLDING DEMAT SHARES ARE ADVISED TO IMMEDIATELY INTIMATE THE CHANGE OF ADDRESS AND BANK DETAILS TO THEIR CONCERNED DEPOSITORY PARTICIPANTS.

5. Those Members who have not encashed/received their Dividend warrants for the financial years 2007-08 onwards may approach immediately the Secretarial Department at the Registered Office of the Company for revalidation of Dividend Warrants or for obtaining duplicate Dividend Warrants in lieu of the lost warrants. 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 the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.kothariproducts.in).
6. Members are hereby also informed that Dividends which remain unclaimed/unencashed for a period of 7 years, from the date of transfer to the unpaid Dividend Accounts, have to be transferred by the Company u/s 205A to the Investors Education & Protection Fund (IEPF) constituted by the Central Government u/s 205C of the Companies Act, 1956.

The unpaid Dividend amount relating to the Financial Years 1995-96, 1996-97, 1997-98, 1998-2000 (Interim), 1998-2000 (Final), 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006 & 2006-07 have been transferred to the aforesaid Investor Education & Protection Fund.

MEMBERS ARE AGAIN ADVISED TO NOTE THAT THE UNPAID DIVIDEND AMOUNT RELATING TO FINANCIAL YEAR 2007-08 WILL BE TRANSFERRED TO THE INVESTOR EDUCATION & PROTECTION FUND, AS PER THE PROVISIONS OF SEC.205A (5) OF THE COMPANIES ACT, 1956 IN OCTOBER, 2015. THE DIVIDEND FOR THE AFORESAID YEAR SHALL BE PAID ONLY ON RECEIPT OF REQUEST AND SATISFACTORY COMPLIANCE OF THE REQUISITE PROCEDURE

7. Members desirous of getting any information at the meeting about the accounts and operations of the company are requested to send their query at the Registered office well in advance so that the same may reach the office at least seven days before the date of the meeting to enable the management to keep the information required readily available at the meeting.

8. Section 72 of the Companies Act, 2013 has extended nomination facility to individuals holding shares in Companies. Shareowners, in particular, those holding shares as sole holder are advised to avail of the above facility in their own interest, by furnishing to the Company the particulars of their nominations. The prescribed application form may be obtained by the shareowners from the Company's Secretarial Department at its Registered Office.
9. Members are requested to bring their copies of Annual Report at the meeting. Please note that no gifts will be distributed at the meeting.
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notices/documents including Annual Reports can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with our Registrar, Alankit Assignments Ltd., "Alankit Heights", 1E/13 Jhandewalan Extension, New Delhi – 110 055.
11. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
12. In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 alongwith clause 35B of the Listing Agreement, the members have been provided with the facility to cast their votes electronically through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The e-voting period commences on Monday, 21st September, 2015 (9:00 A.M. IST) to Wednesday, 23rd September, 2015 (5:00 P.M. IST). During this period, members of the Company holding shares either in physical form or in dematerialised form, as on Thursday, 17th September, 2015 (being the cut-off date fixed by the Company for e-voting), may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, he shall not be allowed to change it subsequently. A Physical Ballot form is also being sent to the members alongwith the Annual Report. Members have option to vote either through e-voting or through the Physical Ballot form. If a member has opted for e-voting then he/she should not vote by Physical Ballot and also vice versa. However, in case members cast their votes both via Physical Ballot and e-voting then voting through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.
13. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. The detailed procedure of e-voting and instructions therefor have been mentioned on the back of the e-voting ballot form which is being sent to you along with this notice and they form an integral part of this notice.
14. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may obtain the user ID and Password by sending a request at evoting@nsdl.co.in or info@kothariproducs.in. 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 have forgotten 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.
15. The Company has appointed Sri AdeshTandon, a Practising Company Secretary of Kanpur as Scrutinizer to receive and scrutinize the completed physical ballot forms and votes cast electronically by the members. The results declared alongwith the Scrutinizer's report shall be placed on the Company's website www.kothariproducs.in and on the website of NSDL www.evoting.nsdl.com within 3 days of passing the resolutions at the Thirty first Annual General Meeting of the Company on Thursday, September 24th, 2015 and communicated to the Bombay Stock Exchange Ltd. and National Stock Exchange of India Limited, where the shares of the Company are listed.

16. Pursuant to clause 49 of the Listing Agreement, particulars of Directors seeking appointment/re-appointment at this meeting are provided in the Corporate Governance Report forming part of the Annual Report.
17. The Securities & Exchange Board of India has notified that the shareholders/transferee of shares (including Joint holders) holding shares in physical form are required to furnish a certified copy of their PAN Card to the Company/RTA while transacting in the securities market including transfer, transmission or any other Corporate Action. Accordingly, all the Physical shareholders/transferee of shares (including Joint holders) are requested to furnish a certified copy of their PAN Card to the Company/RTA while transacting in the securities market including transfer, transmission or any other Corporate Action.

EXPLANATORY STATEMENT PURSUANT TO SEC 102 OF THE COMPANIES ACT, 2013

ITEM NO.5

Smt. Poonam Acharya has been appointed as an Additional Director of the Company w.e.f. 24th July, 2015, by the Board of Directors of the Company, in terms of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and pursuant to the provisions of the aforesaid Section she holds office only upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing alongwith requisite deposit u/s 160 of the Companies Act, 2013 from a member signifying his intention to propose candidature of Mrs. Poonam Acharya for being appointed as Regular Director of the Company, liable to retire by rotation, at the ensuing Annual General Meeting of the Company. The Company has received from Mrs. Poonam Acharya 1) her consent in writing to act as a Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Director) Rules 2014 and 2) intimation in form DIR 8 in terms of aforesaid rules to the effect that she is not disqualified under sub section (2) of section 164 of the Companies Act, 2013. A brief resume of Mrs. Poonam Acharya, nature of expertise in specific functional area, names of other public companies in which she holds Directorship and Membership/Chairmanship of the Committees of the Board of Directors and the particulars of the Shareholding as required by clause 49 of the Listing Agreement with the Stock Exchanges is mentioned in the Corporate Governance Report forming part of this Annual Report.

Further, the Board of Directors of the Company is of the opinion that the above referred Director fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for being appointed as a Director. The Board is of the opinion that her appointment if made, will prove beneficial for the development and growth of the Company.

The Board of Directors recommends resolution at item No. 5 of the Notice for your consideration and approval.

Except Mrs. Poonam Acharya, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the aforesaid resolution.

Regd. Off :
'PAN PARAG HOUSE'
24/19, THE MALL
KANPUR – 208 001

DATE : 11th August, 2015

**By Order of the Board
for KOTHARI PRODUCTS LTD.**

Sd/-
(RAJ KUMAR GUPTA)
CS & Compliance Officer