



KOTHARI
PRODUCTS LIMITED



36TH ANNUAL REPORT 2019 - 2020

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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 KUMARTANDON
VIKAS CHATURVEDI
POONAM ACHARYA

CS & Compliance Officer

RAJ KUMAR GUPTA

Chief Financial Officer

ANURAG TANDON

AUDITORS

RAJIV MEHROTRA & ASSOCIATES
Chartered Accountant
3/3-A, Vishnupuri
Kanpur - 208002

SECRETARIAL AUDITORS

M/SADESH TANDON & ASSOCIATES
Company Secretaries
811, 8th floor,
Kan chambers, 14/113
Civil lines
Kanpur - 208001

REGISTERED OFFICE & SECRETARIAL DEPARTMENT

"Pan Parag House", 24/19, The Mall
Kanpur - 208001
E-mail : info@kothariproducts.in,
kothari@kothariproducts.in
Ph. Nos. (0512) 2312171 - 74
Fax No. (0512) 2312058

INVESTORS' GRIEVANCE E-MAIL ID

rkgupta@kothariproducts.in

AUDIT COMMITTEE

Chairman

PRAMOD KUMARTANDON

Members

DEEPAK KOTHARI
DR. AVINASH GUPTA
VIKAS CHATURVEDI

STAKEHOLDERS RELATIONSHIP COMMITTEE

Chairman

PRAMOD KUMARTANDON

Members

DEEPAK KOTHARI
MITESH KOTHARI
DR. AVINASH GUPTA

NOMINATION & REMUNERATION COMMITTEE

Chairman

PRAMOD KUMARTANDON

Members

DR. AVINASH GUPTA
VIKAS CHATURVEDI

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Chairman

PRAMOD KUMARTANDON

Members

DEEPAK KOTHARI
DR. AVINASH GUPTA

RISK MANAGEMENT COMMITTEE

Chairman

PRAMOD KUMARTANDON

Members

DEEPAK KOTHARI
DR. AVINASH GUPTA
VIKAS CHATURVEDI

II ALIVE IN OUR MEMORIES FOREVER II



KARMA YOGI M. M. KOTHARI

Our Founder Chairman

(25th July 1925 - 27th November 2015)

"The soul never takes birth and never dies at any time nor does it come into being again when the body is created. The soul is birth less, eternal, imperishable and timeless and is never destroyed when the body is destroyed."



Chairman's Message

Dear Fellow Share Owners,

I once again feel immensely pleased to be amongst the august stake holders in the annual meet of the Company and delighted to be part of this journey together spanning for more than three decades.

We have together witnessed illustrious past and evolving future and I express my deepest gratitude to each and every one of you for reposing your confidence on the management and surely hope that it will continue.

Our unrelenting commitment towards inclusive growth in a sustainable/ pragmatic manner has been effective in conducting our operations on the principle of "Going beyond business".

During the period under review, as anticipated, the economic environment remained under pressure both in terms of value and margins. In spite of the slow down, we performed well as is evident from the report before you. But beyond anyone's imagination, an un- anticipated/ disastrous event unfolded all over the globe which has smothered our growth in the ensuing year.

During the last quarter of the period under review, the onset of unprecedented pandemic of Covid - 19 dealt a severest blow of the century on the global economic health, the magnitude of devastation has led to a tectonic shift in the whole world's future economic scenario. This is still continuing unabated and India is no exception.

India, the 5th Largest Economy in the world has not been insulated from devastation of this magnitude. A fall in the optimism levels amidst heightened uncertainty has led to a '**double whammy**'. On the one side global supply chain disruptions and on other side a steep fall in the consumption resulting in slow down/ disruption of all economic activity around the globe. More so in view of the fact that pandemic is far from over

In such times of uncertainties', International Trade segment will remain under tremendous pressure both in terms of value and margins which would also be a great challenge to your Company. Your Company is quite aware of the situation and exploring new Business Models and aligning in to this evolving economic scenario. The Management is optimistic to leverage itself to these future economic encounters.

With the initiative of **"Atmanirbhar Bharat"** by boosting scope for private participation in various sectors, the Govt. of India has taken a decisive resolve with an apt tagline **"Vocal for Local"**. The results shall be evident in due course in making our country self reliant. Also, various fiscal stimulus and relief measures announced by RBI and the Govt., paved way to protect the economy from the adverse impact of the ongoing Covid-19 crisis. However, the challenges are immense and we should be ready for this **"new normal."**

For over more than 3 decades, your Company has continued to grow and evolve, creating value for the share owner, but in these difficult times financial prudence requires to conserve the resources which you will definitely endorse as it is an imperative step to be prepared for continuing rough weathers temporarily but we are sure that we will continue to strive ahead.

Businesses in India started to resume operations gradually from June 2020 onwards, and your Company is also scaling up the activities slowly and cautiously, we therefore expect improvement in domestic trade and real estate business in future. Your company will be able to tide over properly and shall also embark upon other trade/ business prospects including diversification through operational excellence and dedication.

In the end, I extend my thanks to all the stake holders of the Company, business associates and dedicated/ devoted TEAM who has helped us tide through the present tough times and are prepared to achieve our goals of the future.

With lots of Thanks,



Deepak Kothari

Kanpur

Dated : 18th, August, 2020

NOTICE

Notice is hereby given that the Thirty Sixth Annual General Meeting of the Members of M/s Kothari Products Limited will be held on Wednesday, the 30th September, 2020 through video conferencing ("VC") or other audio visual means ("OAVM") at 11:30 A.M., to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020 together with the Reports of the Auditors thereon.
3. To appoint a Director in place of Smt. Poonam Archarya (DIN:07238992), who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider & if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution :-

"RESOLVED THAT pursuant to the provisions of sec 139 & other applicable provisions of the Companies Act, 2013 and the relevant Rules made thereunder, as amended from time to time and pursuant to the proposal of the Audit Committee and recommendation of the Board, M/s. G M Kapadia & Co., Chartered Accountants of Mumbai (FRN 104767W) be and are hereby appointed as the Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 41st Annual General Meeting of the Company on such remuneration as may be decided by Board of Directors in consultation with the Joint Auditors."

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

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

(**RAJ KUMAR GUPTA**)
CS & Compliance Officer

DATE: 31st July, 2020

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No.20/2020 dated 5th May, 2020 read with Circular No. 14/2020 and 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM Facility, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular"), the 36th AGM of the Company is being held through VC / OAVM Facility. The detailed procedure for participating in the meeting through VC/OAVM Facility is mentioned hereunder in this notice and also on the website of National Securities Depositories Limited ("NSDL"). The deemed venue for the 36th AGM shall be the Registered Office of the Company. In terms of the MCA Circulars and SEBI Circular, the Notice of the 36th AGM will be available on the website of the Company at www.kothariproducts.in and on the website of BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at <https://www.nseindia.com>
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circular through VC / OAVM Facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 36th AGM of the Company and therefore the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Attendance of the Members of the Company, participating in the 36th AGM through VC / OAVM Facility will be counted for the purpose of reckoning the quorum under section 103 of the Act.
4. The Register of Members of the Company shall remain closed from Wednesday, 23rd September, 2020 to Wednesday, 30th September, 2020 (both days inclusive) in connection with the Annual General Meeting.
5. 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.,

(UNIT: KOTHARI PRODUCTS LTD.) 205-208 ANARKALI COMPLEX 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.

6. Those Members who have not encashed/received their Dividend warrants for the financial years 2012 - 13 onwards may approach immediately and latest by 15th September, 2020 to 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. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.kothariproducs.in).

7. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of The Companies Act, 2013 and Rules made thereunder and erstwhile sections 205A and 205C of the Companies Act, 1956, all Unclaimed/Unpaid dividend for a period of seven years from the date they became due for payment, were required to be transferred to the IEPF. Accordingly, all unclaimed/unpaid dividend for the Financial Year 2012-13, have to be transferred to the Investors Education & Protection Fund (IEPF) established by the Central Government.

Further, as per Section 124(6) of the Act read with IEPF Rules as amended, all shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are also required to be transferred to the Demat Account of the IEPF Authority.

The Company has sent notices to all the members whose Dividends are lying unpaid/unclaimed for seven consecutive years or more. Concerned Members are requested to claim the same immediately. In case the dividends are not claimed, necessary steps will be initiated by the Company to transfer shares held by the members to IEPF without further notice.

The unpaid Dividend amount relating to the Financial Years, 1997-98, 1998-2000 (Interim), 1998-2000 (Final), 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-07, 2007-08, 2008-2009, 2009-10, 2010-11 & 2011-12 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 2012-13 WILL BE TRANSFERRED TO THE INVESTOR EDUCATION & PROTECTION FUND, AS PER THE PROVISIONS OF SEC.124(5) OF THE COMPANIES ACT, 2013 IN OCTOBER, 2020. THE DIVIDEND FOR THE AFORESAID YEAR SHALL BE PAID ONLY ON RECEIPT OF REQUEST AND SATISFACTORY COMPLIANCE OF THE REQUISITE PROCEDURE.

8. SEBI had also mandated that requests for effecting transfer of securities (except transmission or transposition of securities) shall not be processed after March 31, 2019, unless the securities are held in dematerialized form. Hence, the Members holding shares in physical form are requested to convert their holdings to dematerialized form at the earliest.
9. 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.
10. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in despatch of physical copies of the Notice of the 36th AGM and the Annual Report for the year 2019-20 including therein the Audited Financial Statements for financial year ended 31st March, 2020, are being sent only by email to the Members. Members who have not registered their email addresses with the Company or with their respective Depository Participants, and who wish to receive the Notice of the 36th AGM and the Annual Report for the year 2019-20 and all other communication sent by the Company, from time to time, can now register the same by submitting a duly filled-in request form mentioning their folio number, complete address, email address to be registered along with scanned self attested copy of the PAN Card and any document (such as Driving Licence, Passport, Bank Statement, Aadhar Card) supporting the registered address of the Member, by email to the Registrar. Members holding shares in demat form are requested to register their email addresses with their Depository Participant(s) only.
11. Even after registering for e-communication, the members are entitled to receive such communication/documents in physical form, upon making a request for the same, by post, free of cost.
12. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 36th AGM and facility for those Members participating in the 36th AGM to cast vote through e-Voting system during the 36th AGM. National Securities

Depositories Ltd. (NSDL) will be providing facility for voting through remote e-Voting and e-Voting during the 36th AGM. The remote e-voting period commences on Sunday, 27th September, 2020 at 9.00 A.M. onwards and ends on Tuesday, 29th September, 2020 at 5.00 P.M.. During this period members of the Company holding shares, either in physical form or in dematerialized form, as on Wednesday, 23rd September, 2020 (being the cut off date fixed by the Company for remote e-voting) may cast their votes electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Members have the option to vote either through remote e-voting or through the e-voting during the AGM. If a member has opted for remote e-voting than he/she should not vote by E-voting during AGM. The Notice & Annual Report is being sent to those members whose names appear in the Register of Members/Depositories as on 28th August, 2020. The instructions for remote e-voting & other details thereof are mentioned in the note No. 19 below & process and manner for attending the Annual General Meeting through V.C. are mentioned in Note No. 20 below.

13. 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.
14. Members who have acquired shares after the e-mailing 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 rta@alankit.com by mentioning their Folio No./DP ID and Client Id. 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 Adesh Tandon, a Practising Company Secretary of Kanpur as Scrutinizer to receive and scrutinize the 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 Sixth Annual General Meeting of the Company on Wednesday, 30th September, 2020 and communicated to the Bombay Stock Exchange Ltd. and National Stock Exchange of India Limited, where the shares of the Company are listed.
16. The Securities & Exchange Board of India has notified that the shareholders/transferees 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 by transfer, transmission or any other Corporate Action. Accordingly, all the Physical shareholders/transferees 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 by transfer, transmission or any other Corporate Action.
17. Annual Report and AGM Notice is available at the website of the Company at www.kothariproducs.in in the Investor's Section.
18. Pursuant to SEBI (LODR) Regulations, 2015, particulars of Director seeking re-appointment at this meeting are provided in the Corporate Governance Report forming part of the Annual Report.
19. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING & E-VOTING AT AGM ARE AS UNDER:-

The EVEN of the Company 113835

The remote e-voting period begins on 27th September, 2020 at 9:00 A.M. and ends on 29th September, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e, IDEAS, you can log-in at <https://eservices.nsl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding Your User ID is: shares i.e. Demat (NSDL or CDSL) or Physical	
a) For Members who hold shares in demat account with NSDL.	8CharacterDPIDfollowedby8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:

- Click on "Forgot User Details/Password?(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 - Now, you will have to click on "Login" button.
 - After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.