

37th Annual Report

2017 - 18

K K FINCORP LIMITED
(FORMERLY KNOWN AS
KUBERKAMAL INDUSTRIAL INVESTMENTS LTD.)

Regd. Office: Plot No.11, Cama Industrial Estate,
Goregaon (East), Mumbai – 400 063

Board of Directors:	Shri Shiv Kumar Sharma Shri Pradeep C. Jalan Shri Sandeep Shriya Smt. Anita Bhartiya	Whole-Time Director & Chief Financial Officer Director Independent Director Independent Director
Bankers:	STATE BANK OF INDIA	
Auditors:	Mr. Yatin Kumar Shah Chartered Accountant 903, Arcadia, 195, N.C.P.A. Road, Mumbai- 400 021	
Registered Office:	Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063 Ph.: 022-40589888, Fax: 022-26852335	
CIN:	L65990MH1981PLC023696	

NOTICE

To

The Members,

K K FINCORP LIMITED

(Formerly known as Kuberkamal Industrial Investments Limited)

NOTICE is hereby given that the 37th Annual General Meeting of the Company will be held at its Registered Office, on **Friday, the 28th September, 2018**, at 12.00 Noon to transact the following ordinary business:

1. To consider and adopt the Audited Financial Statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2018, together with the reports of the Board of Directors and the Auditors thereon.
2. To re-appoint Shri Pradeep C. Jalan (DIN:00087468) as Director, who retires by rotation.

Special Business-Special Resolutions

3. To increase borrowing limits

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed Rs.100 crores (Rupees Hundred Crores Only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.”

“RESOLVED FURTHER THAT Board of Directors of the company be and is hereby authorized to do all such acts deeds and things as may be necessary in this regard including but not limited to the delegation of powers to any director or committee of directors or any others person as it may deem fit subject to the provision of the Companies Act, 2013.”

4. Re-appointment of Shri Shiv Kumar Sharma (DIN:00157100) as Whole-Time Director

“RESOLVED THAT Shri Shiv Kumar Sharma (DIN:00157100), be and is hereby appointed as the Whole-Time Director (Key Managerial Personnel) of the Company for a term of 3 years from the 1st April, 2018, to manage the affairs of the Company, on the following terms and conditions:

- 1) Basic Salary Rs.23,000/- per month.
- 2) House Rent Allowance 50% of the basic salary per month.
- 3) Conveyance Allowance Rs.1,600/-per month.
- 4) Reimbursement of Medical Expenses Rs.1,250/- per month
- 5) Leave Travel Allowance Rs.1,250/- per month.
- 6) Special Allowance Rs.3,200/- per month.
- 7) Bonus as per the rules of the Company with a ceiling of 20% of the annual basic salary.
- 8) Leave encashment and Gratuity as per the rules of the Company

“FURTHER RESOLVED THAT the Board of Directors of the Company shall have power to grant annual increments to the Whole-Time Director upto a limit of 20% of the total emoluments of the previous financial year. However, the overall remuneration shall not exceed the limits specified in Section II, Part II of Schedule V to the Companies Act, 2013.”

Regd. Office

Plot No.11, Cama Industrial Estate,
Goregaon (E), Mumbai – 400 063

Date: 17th August, 2018

Sd/-
SHIV KUMAR SHARMA
WHOLE-TIME DIRECTOR
DIN:00157100

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING WILL BE ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from **Friday, the 21st September, 2018** to **Friday, the 28th September, 2018**, both days inclusive.
3. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered office of the Company on all working days, during 4.00 P.M. to 6 P.M. up to the date of the Meeting.
4. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Registrar M/s. Bigshare Services Private Limited / Company.

5. Green Initiative :

Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same to the Company by sending email at kkii_igrd@remigroup.com or to M/s.Bigshare Services Private Limited or with the concerned depositories.

YOUR INITIATIVE WILL SAVE FOREST WEALTH OF OUR COUNTRY.

6. Pursuant to provision of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide its members facility to exercise their rights to vote on the resolution proposed to be considered at the 37th Annual General Meeting by the electronic means/ remote e-voting) and/or voting by ballot paper at the AGM. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). The Notice is available on website of the Company. The e-voting facility is available at the link <https://www.evoting.nsdl.com>.
7. 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. A member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM. Incase Members cast their vote through both the modes, voting done by e-voting shall prevail and votes cast through Ballot form shall be treated as invalid.

8. The remote e-voting period shall commence at 9.00 a.m. on **24th September, 2018** and will end at 5 p.m. on **27th September, 2018**. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
9. The detailed procedure for remote e-voting is set out below :

(a) In case of Members receiving an e-mail from NSDL:

- (i) Open email and open PDF file viz; "**KK Fincorp 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 e-voting. 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 as noted in step (i) above and 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' (E-voting Event Number) of **K K FINCORP LTD.**
- (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'. Click on '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, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at **kkiiscrutinizer@gmail.com** with a copy marked to **evoting@nsdl.co.in**.

(b) In case of Shareholders receiving physical copy of the Notice of AGM.

- (i) Initial Password is provided in the enclosed Form.

EVEN (Remote E-voting Event Number)	User ID	Password/ PIN
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- (ii) Please follow all steps from Sr. No. (a) (ii) to Sr. No. (xii) above, to cast vote.

(c) Other Instructions:

- i. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of NSDL's e-voting website **www.evoting.nsdl.com** or call on Toll free no. 1800-222-990.
 - ii. 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.
 - iii. 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).
10. 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 i.e. on **21st September, 2018** Members are eligible to cast vote electronically only if they are holding shares either in physical form or demat form as on that date.

11. Any persons who have acquired shares after the dispatch of the Notice and holding shares as on cut-off date i.e. on **21st September, 2018** may obtain the user ID and Password by sending a request at **evoting@nsdl.co.in** or to RTA. 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.
12. Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on **www.evoting.nsdl.com**. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No.+Folio No.).
13. The Company has appointed Shri Vishal Mehra, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire ballot voting /e-voting process in a fair and transparent manner
14. 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.
15. The scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting, 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 make, not later than three days of conclusion of the meeting, 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.
16. The results declared along with the consolidated Scrutinizer’s Report shall be placed on the Company’s website i.e. www.remigroup.com and on the website of NSDL after the result is declared by the chairman or a person authorized by him. The result shall also be forwarded to The Bombay Stock Exchange Limited.
17. An Explanatory Statement relating to the item of special business set out in items Nos.3 and 4 accompanies.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 –
ANNEXURE TO THE NOTICE

Item No. 3

The Company is Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI). The Company needs the funds for making investment or for lending activities which may exceed the permissible limit under the prescribed section. Increase in borrowing limits requires approval of the members by special resolution. Hence the members’ approval is sought by way of special resolution.

Item No. 4

Shri Shiv Kumar Sharma (DIN:00157100) has been re-appointed as Whole-Time Director (Key Managerial Personnel) of the Company from the 1st April, 2018, within the limits of remuneration as specified in Schedule V, Part II section II (A) of the Companies Act, 2013.

The following additional information as required by Schedule V to the Companies Act, 2013 is given below:

- (i) The Remuneration Committee of Directors had approved of his remuneration.
- (ii) The Company has not made any default in repayment of its debts.
- (iii) Your approval is sought to be obtained by special resolution.
- (iv) Additional information are as under:-

I. General Information:

- (1) Nature of Industry : Investment Company
- (2) Commencement of commercial production :
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not a new Company
- (4) Financial performance : The Company has a turnover of Rs.5.47 Lacs and net loss of Rs.6.64 Lacs, for the financial year ended 31st March, 2018.
- (5) Foreign investments or collaborations : None

II. Information about the Appointee:

- 1) Shri Shiv Kumar Sharma (53) is commerce graduate and having more than 25 years of experience in accounts, finance etc. The Company will benefit from his knowledge and experience. He does not hold any shares in the Company. He is on Board of Vishwakarma Job Works Limited, Remi International Limited and Skyrise Mercantile Limited.
- 2) Past remuneration : Rs.21,500/- p.m. plus other benefits and perquisites
- 3) Recognition or awards : ----
- 4) Job profile and his suitability : He has experience in field of accounts , finance and administrative matters
- 5) Remuneration Proposed : As set out in the aforesaid Resolution.
- 6) Comparative Remuneration profile : In similar Companies, this package is the norm.
- 7) Pecuniary relationship : None

III. Other information

:

- (i) Reason for inadequate profit: Due to slow down in the economy in General.
- (ii) Steps taken for Improvement: The Company has taken various steps for cost cutting.
- (iii) It is impractical to measure the productivity and profits due to volatility in the market.

IV. Disclosure

:

- (1) Remuneration Package : Set out in the aforesaid resolution.
- (2) Report under the heading 'Corporate Governance' in Directors' Report : Compliance with Corporate Governance provisions are not applicable to the Company.

Shri Shiv Kumar Sharma is to be deemed to be interested in this item of business.

Your Directors commend the resolutions for your approval.

DIRECTORS' REPORT

To
The Members,
K K FINCORP LTD.
(Formerly known as Kuberkamal Industrial Investments Limited)

The Directors are pleased to present herewith the audited accounts of the Company for its financial year ended 31st March, 2018.

The financial results are:

	(₹ In Lakhs)	
Financial Results	2017 - 18	2016 - 17
Gross Income	<u>5.47</u>	<u>44.51</u>
Net Profit/(Loss)	(6.64)	16.86
Balance brought forward	<u>172.94</u>	<u>161.08</u>
	<u>166.30</u>	<u>177.94</u>
Transfer to General Reserve	--	5.00
Net surplus in the Statement of Profit & Loss	<u>166.30</u>	<u>172.94</u>

OPERATIONS :

The Company achieved a turnover of Rs.5.47 lakhs during the year as against Rs.44.51 lakhs in previous year. The Company has earned a net loss of Rs.6.64 lakhs during the year compared to profit of Rs.16.86 Lakhs during previous year.

During the year, The Company has not transferred any amount to the General Reserves. There are no changes in the Share capital during the year.

There are no Companies which have become or ceased to be its Subsidiaries or Joint Ventures.

AOC-1 -Part B is enclosed as part of Balance sheet to highlight the Performance of Associate Companies

DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

BRIEF DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE APPOINTMENT:

Shri Pradeep C Jalan (DIN:00087468), Director, who are retiring by rotation, are to be re-appointed. Shri Pradeep Jalan (53) a graduate, having vast experience in the field of finance and marketing. He has work experience of more than 30 years in this field. His involvement with the Company is beneficial to the Company and stakeholders He was first appointed on the Board of Directors w.e.from 01/12/1988. He attended 4 (Four) Board Meeting during the Year 2017-18.

BOARD MEETINGS:

During the year, 4 (Four) Board Meetings were held, with gap between Meetings not exceeding the period prescribed under the Act.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining qualifications, positive attributes and independence of a Director and also a policy for remuneration of Directors, Key Managerial Personnel and senior management.

The Executive Directors and other whole-time directors are paid remuneration by way of salary, perquisites, incentives and allowances, as recommended by the Committee and the

Board of Directors and approved by the Members of the Company from time to time. Non-Executive Independent Directors are paid sitting fees for attending meetings of the Board of Directors.

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of business; balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

AUDITORS:

Mr. Yatin Kumar Shah (Membership No.159796) Chartered Accountant was appointed as the statutory auditor of the Company for a term of consecutive five years i.e. from the conclusion of the 36th Annual General Meeting till the conclusion of the 41st Annual General Meeting by the shareholders of the Company. He has confirmed that they are not disqualified from continuing as auditor of the Company.

The statutory audit report for the financial year ended 31st March, 2018 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditors.

SECRETARIAL AUDITOR:

Shir Vishal Mehra, Practicing Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for FY 2017-18 forms part of the Annual Report as “**Annexure - A**” to the Board's report. There is no qualification, reservation or adverse remark in the report.

LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS:

Pursuant to provisions of The Companies Act, 2013, all related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no material related party transactions entered by the Company during the year and thus disclosure in Form AOC-2 is not required.

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company other than payment of sitting fees to them.

Your Directors draw attention of the members to Note 1.7 to the notes to accounts which sets out related party disclosures.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

All efforts are being made to conserve energy.

- i. the steps taken or impact on conservation of energy; :
- ii. the steps taken by the company for utilising alternate sources of energy; :
- iii. the capital investment on energy conservation equipments; :

(B) Technology absorption:

- i. the efforts made towards technology absorption; :
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; :
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - (a) the details of technology imported; :
 - (b) the year of import; :
 - (c) whether the technology been fully absorbed; :
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and :
- iv. the expenditure incurred on Research and Development :

The Company is not a manufacturing company; hence the particulars relating to conservation of energy and technology absorption are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, there were no foreign exchange earnings and outgo.

AUDIT COMMITTEE:

The Audit Committee comprises of Shri Sandeep Shriya, Shri Shiv Kumar Sharma and Smt. Anita Bhartiya.

RISK MANAGEMENT :

The Company has laid down a risk management policy identifying the core areas of risk including Business Risk and Interest Rates risk. The senior management team reviews and manages the risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts.

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS, BOARD, COMMITTEES AND DIRECTORS:

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.