



***INNOVATIVE  
GROWTH***

**"KESAR PETROPRODUCTS LTD.  
AIMS AT PROVIDING SEAMLESS  
INTEGRATION OF QUALITY AND  
SCHEDULE BY ENSURING TIMELY  
DELIVERIES, STATE-OF-THE-ART  
MANUFACTURING PRODUCTS, NEW AGE  
TECHNOLOGY,CONSTANT INNOVATION AND  
ECONOMIC VIABILITY."**

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**KESAR PETROPRODUCTS LIMITED**  
**(CIN: L23209PN1990PLC054829)**

**BOARD OF DIRECTORS**

Mrs. Snehlata Dinesh Sharma  
(w.e.f. 30<sup>th</sup> May,2015)  
Mr. Nazirsaheb Mubarak Sayyad  
Mr. Sunil Atmaram Sawant  
Mr. Mohit Prem Kumar Kaushik  
Ms. Shruti Sharma  
(w.e.f.27<sup>th</sup> March,2015 upto 30<sup>th</sup> May,2015)

**COMPANY SECRETARY**

Mr. Anil Rajkotia (w.e.f. 1<sup>st</sup> Sept, 2014)

**CHIEF FINANCIAL OFFICER**

Mr. R. V. Srinivasan (w.e.f. 30<sup>th</sup> May,2015)

**BANKERS**

Axis Bank Limited

**AUDITORS**

Sayeed Khan & Associates  
Chartered Accountants

**REGISTRAR & TRANSFER AGENTS**

M/s. System Support Services  
209, Shivai Industrial Estate,  
Near Parke Davis  
89, Andheri –Kurla Road,  
Sakinaka, Mumbai – 400 072.  
Tel Nos.:28500835 (5 lines)  
E- mail: syss72@yahoo.com

**REGISTERED OFFICE AND FACTORY**

D-7/1, MIDC, Lote Parshuram,  
Taluka Khed, District – Ratnagiri – 415722  
Maharashtra

## From the Desk of Chairperson



**"STRENGTH DOESN'T COME FROM WHAT YOU CAN DO. IT COMES FROM OVERCOMING THE THINGS YOU ONCE THOUGHT YOU COULDN'T "**

**Dear Shareholders,**

It gives me immense pleasure that Kesar Petroproducts Limited has reported another year of steady performance, in spite of a challenging macroeconomic environment in India and globally. As The Indian Chemical Council (ICC; Mumbai) and analysts say, the disposable surplus income is rising in India, and the increasing standard of living will lead to growth in consumption of consumer goods. Since the chemicals form a necessary ingredient in all types of modern goods and amenities, this will result in greater demand for the chemical industry. Therefore, global economic growth and chemical output growth should accelerate hand in hand in the years to come. The strongest growth will continue to be in the developing nations of Asia, the Middle East, and Latin America.

Last year, I had noted that the global economic outlook was overcast, that markets were edgy, and that consumers were skeptical. I anticipated a daunting year, and it was. The economic and debt cataclysm continued to cast a shadow over Europe and the United States since over last four years, seeping a trickle-down effect all through FY 2014-15, as well. Due to this ominous ambiance beset with extraneous global business challenges, our growth in sales were slightly on lower side during FY 2014-15. This is because niche chemistry is the aggregate of both science and invention, which is pivotal to everything we do. On overall parameters, starting with our financial performance, we have enriched outcomes and concurrently undertaken several initiatives to ameliorate our market position for the future. It's all the more significant given that we are consistently focused on our niche innovative product offerings, and geographies, which have the potential for sustainable growth. Our inventive approach, long-term planning and a rich product pipeline has helped us in keeping up a positive growth trajectory and earnings prospects during FY 2014-15. Over the past few years, we progressively navigated through a series of challenges with élan—adopted long term perspective, maintained a disciplined approach towards growing our business and remained aligned to our operating model and corporate philosophy.

The Management is continuously reviewing the status of stressed working capital cycle of the Company and necessary steps are being taken for optimizing the cycle by maintaining minimum inventories, bringing down the receivables by focusing more on the exports etc.

As the Company is into the expansion phase and on a growing path, it has maintained its CRISIL BB+ rating for its long term debt.

We will continue to forge ahead with such forward and backward integrations to add value to our operations and yield better performance going forward. Among our achievements, we made substantial investments to expand our global footprint. As a matter of strategy, we will continue our efforts to step-up our exports by targeting more geographical territories, which will offer us natural hedging for our Forex outflows. A pragmatic approach initiated by us to control our inventories and receivables has started yielding results, and our efforts in this regards will soon translate in controlling and rationalizing our working capital cycle in the near future. For now, I firmly believe that we have established a culture of continuous enhancement of business quality and performance to ensure that we maintain our growth and profitability, and stay ahead of the curve. Without being swayed by the disconsolate economic climate of the time, we have enhanced our corporate value by ensuring that we achieve high credibility with our customers and stakeholders.

Further I would like to add that, Strength means Power. Strength is needed to perform tasks efficiently with great energy. In the words of Albert Einstein, "Only one who devotes himself to a cause with his whole strength and soul can be a true master". We will do it because we want to do and along with all our heart, to give our best in everything we do, say and think. The greatest we desire, the easier it will be to fulfill it.

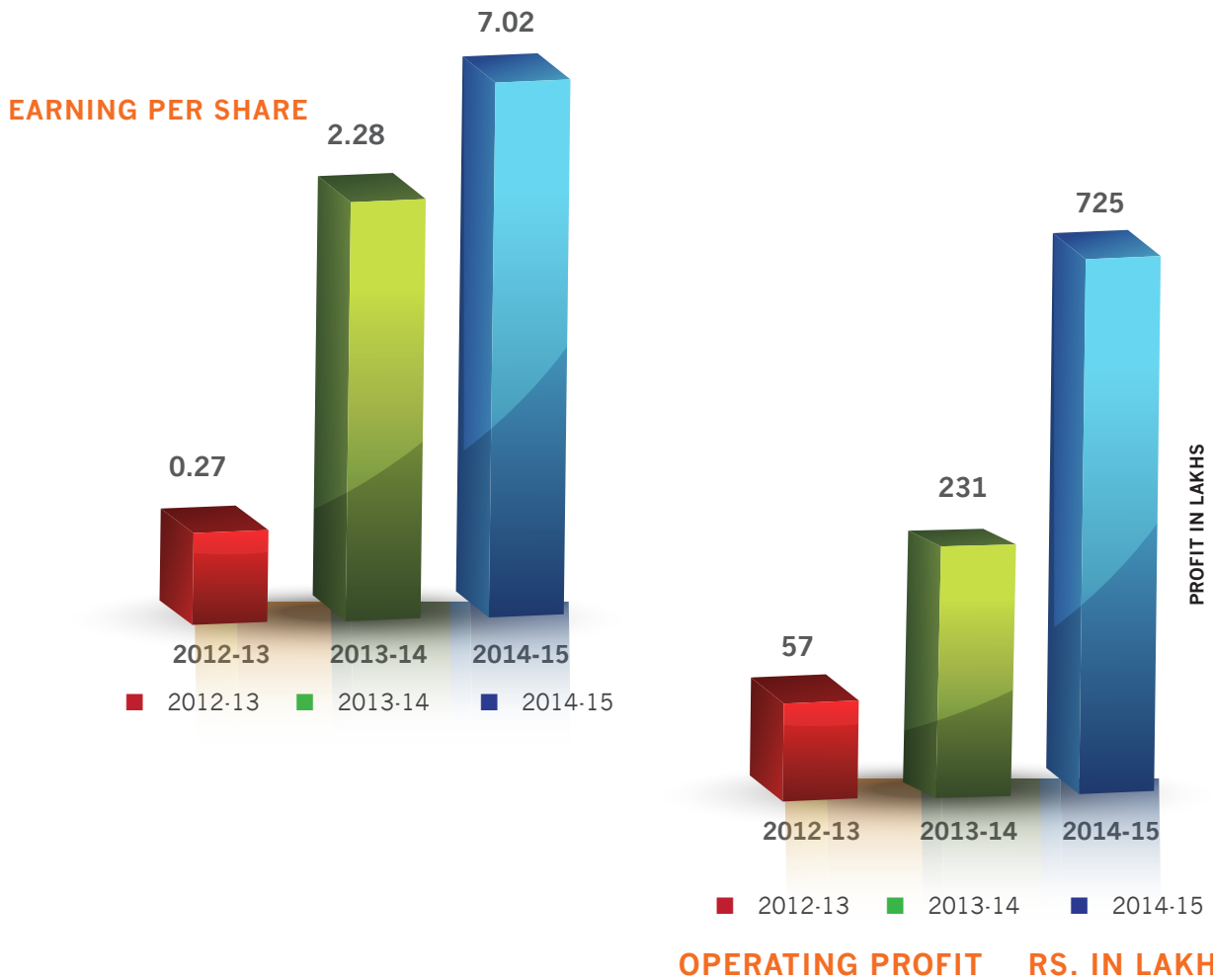
On behalf of the Board of Directors, I would like to thank all our shareholders, and I greatly appreciate their continuous support and faith in Kesar Petroproducts Ltd

Sincerely  
**Chairperson**

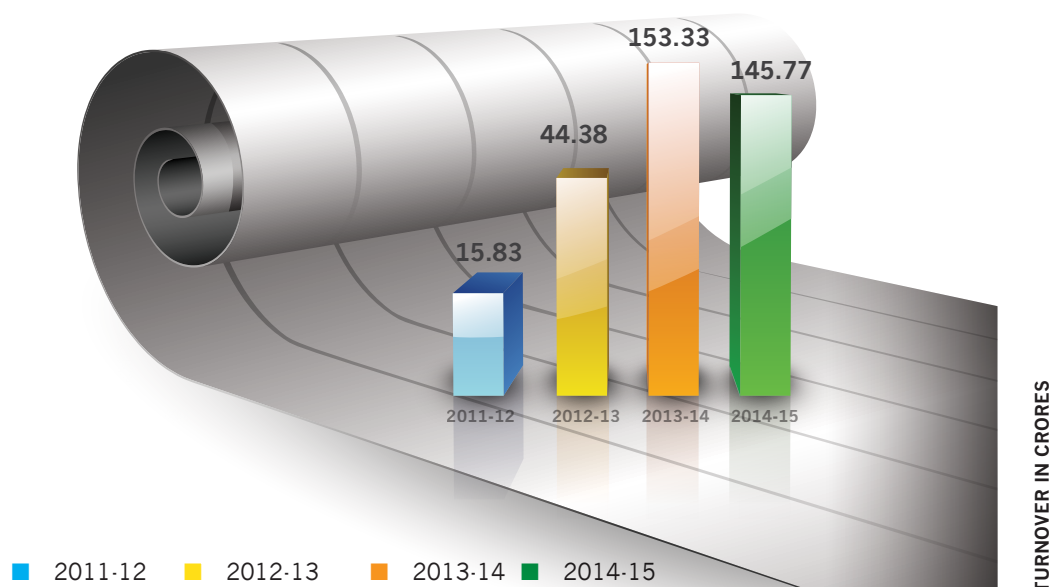
## COMPREHENSIVE FINANCIAL SUMMARY

	2014-15	2013-14	RS IN CR 2012-13
<b>RESULTS FROM OPERATIONS</b>			
<b>GROSS REVENUE</b>			
DOMESTIC	137.14	147.59	43.76
EXPORTS	8.63	5.57	-
SALE OF SERVICES	-	-	0.62
OTHER OPERATING INCOME	-	-	-
NET SALES	145.77	153.16	44.38
OPERATING PROFIT (EBITDA)	7.25	2.31	0.57
OTHER INCOME	0.41	0.22	0.08
DEPRECIATION AND AMORTIZATION	0.97	0.43	0.42
FINANCE COST	0.09	0.01	-
PROFIT BEFORE TAX	6.60	2.09	0.23
PROFIT AFTER TAX	5.10	1.66	0.19
<b>BALANCE SHEETS</b>			
SHARE CAPITAL	7.27	7.27	7.27
RESERVES & SURPLUS	34.62	2.18	0.52
NET WORTH	41.89	9.45	7.79
SECURED BORROWINGS	5.37	5.04	4.73
NET FIXED ASSETS	36.94	9.82	7.97
INVESTMENTS	-	-	-
<b>PERFORMANCE INDICATORS</b>			
DOMESTIC SALES GROWTH (%)	-	237.27	179.02
EXPORTS SALES GROWTH (%)	54.94	-	-
TOTAL NET SALES GROWTH (%)	-	245.11	180.35
OPERATING PROFIT MARGIN (%)	4.97	1.51	1.29
OPERATING PROFIT GROWTH (%)	213.85	305.26	147.83
NET PROFIT MARGIN (%)	3.50	1.08	0.43
NET PROFIT GROWTH (%)	207.23	773.68	154.29
EARNING PER SHARES - BASIC (IN RS)	7.02	2.28	0.27
- DILUTED (IN RS)	5.28	2.28	0.27
BOOK VALUE PER SHARE (IN RS.)	10.00	10.00	10.00
DIVIDEND PER SHARE (IN RS)	1.00	-	-
CURRENT RATIO	1.38	1.11	1.31
DEBT EQUITY RATIO	0.11	0.53	0.61
RETURN ON CAPITAL EMPLOYED (ROCE) (%)	13.00	14.40	1.79

## FINANCIAL PERFORMANCE

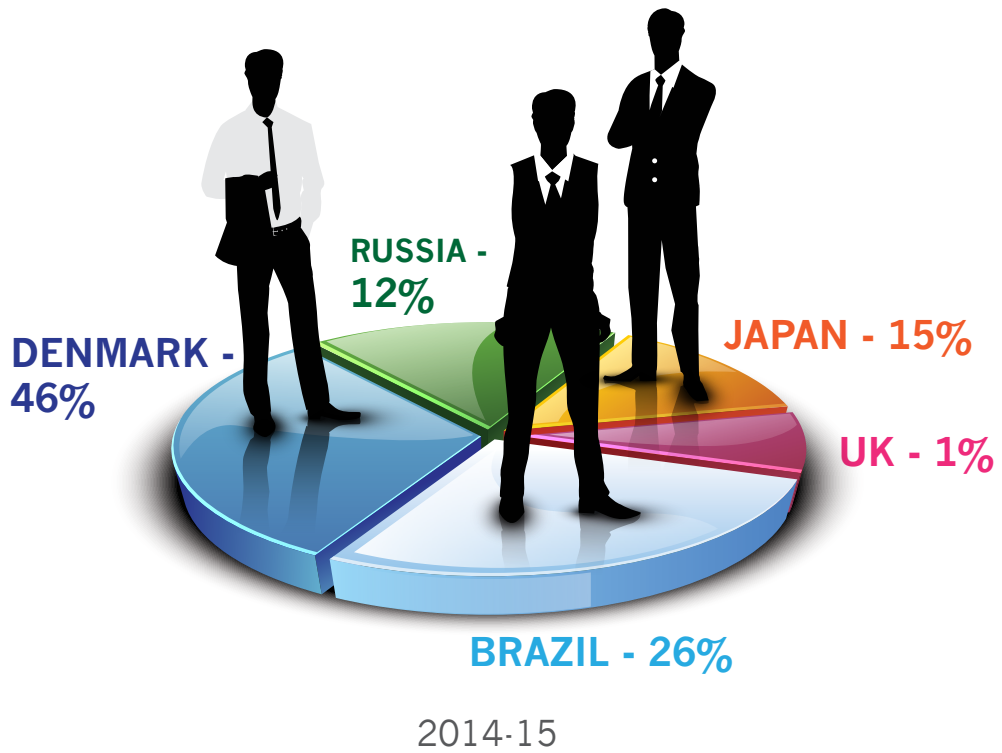


### TOTAL TURNOVER

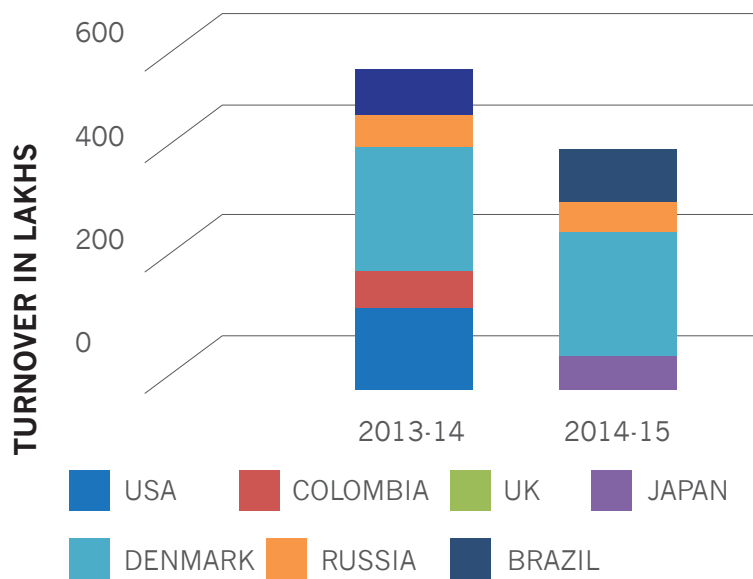


"Turnover in Rupees for the financial year 2014-15 is decline due to reduction in petro products prices, but sales of Quantity for the same year is increased".

EXPORTS



EXPORT SALES





## NOTICE

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of KESAR PETROPRODUCTS LIMITED will be held on Tuesday, the 29<sup>th</sup> September, 2015 at 11.00 A.M. at the registered office of the Company at D-7/1, M.I.D.C., Lote Parshuram, Taluka – Khed, District – Ratnagiri – 415722 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2015 and Statement of Profit and Loss for the year ended on that date together with the Reports of Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2015.
3. To appoint a Director in place of Mr. Mohit Prem Kumar Kaushik (DIN: 06463483), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Sayeed Khan & Associates, Chartered Accountants, Mumbai (having FRN 125227W) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this 25<sup>th</sup> Annual General Meeting until the conclusion of the next 26<sup>th</sup> Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors, plus service tax and out of pocket expenses.”

### SPECIAL BUSINESS:

5. To consider and if thought it, to pass, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mrs. Snehlata Dinesh Sharma (DIN: 01854393), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f 30<sup>th</sup> May, 2015 pursuant to the provisions of Section 161 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing along with requisite deposit from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retirement by rotation.”

6. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the payment of remuneration of Rs. 25,000/- per month to Mr. Mohit Kaushik (DIN: 06463483), who was appointed as an Executive Director of the Company for a period of three (3) years w.e.f.9<sup>th</sup> December, 2013, be and is hereby approved w.e.f. 1<sup>st</sup> April 2014 for remaining period of his tenure, with the authority to the Board of Directors of the Company to revise the terms on recommendation of Nomination and Remuneration Committee with regards to remuneration from time to time within the limits provided in the said Schedule V or any amendment thereto for the time being in force.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year during the tenure of Mr. Mohit Kaushik as an Executive Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution.”

7. To consider and if thought it, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provision of Section 61(1)(d) and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 (including any modification or re-enactment thereof for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities and bodies, if any, each existing Equity share having face value of Rs.10/- (Rupees Ten Only) each fully paid up be sub-divided into 10 Equity shares of Re.1/- (Rupee One Only) each fully paid up.

**RESOLVED FURTHER THAT** upon sub division of the Equity Shares as aforesaid, the existing Share Certificates in relation to the existing Equity Shares of Rs.10/- each held in physical form shall be deemed to have automatically cancelled and be of no effect on and from “Book Closure date” and the Company may, without requiring the surrender of the existing Share Certificates, directly issue and dispatch the new Share Certificates for Equity Shares having face value of Re.1/- each in lieu of existing share certificates for Equity Shares having face value of Rs.10/- each and in case shares held in

dematerialized form, the corresponding number of sub-divided Equity Shares having face value of Re.1/- each be credited to the respective beneficiary accounts of the shareholders held with Depository Participants in lieu of the existing credit representing the Equity Shares having face value of Rs.10/- each of the Company before sub division.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deed, matters and things including issue of fresh share certificates and sign all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in it to any committee of Directors or any Director(s) to give effect to aforesaid resolution.”

8. To consider and if thought it, to pass, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation of Company) Rules, 2014 including any modification or re-enactment thereof for the time being in force), Clause V of the Memorandum of Association of the Company be altered by substituting existing Clause V with the following new Clause V:

V. The Authorised Share Capital of the Company is Rs. 35,00,00,000/- (Rupees Thirty Five Crores Only) divided into 35,00,00,000 (Thirty Five Cores ) Equity Shares of Re.1/- (Rupees One) each.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deed, matters and

things as may be expedient and necessary to give effect to the above resolution”.

**”By Order of the Board of Directors  
For Kesar Petroproducts Limited**

**Mohit Kaushik  
Executive Director  
DIN: 06463483**

**Place: Mumbai  
Date: 28<sup>th</sup> August, 2015**

**Registered Office:**  
D-7/1, M.I.D.C.,  
Lote Parshuram, Taluka – Khed,  
District Ratnagiri, 415 722  
Maharashtra

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, INSTEAD OF HIM/HERSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.** Further a person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10 percent of the total share capital of the company carrying voting rights provided that a member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint single person as a proxy and such person shall not act as a proxy for any other person or shareholder.

2.The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special busi-

ness is annexed hereto and forms part of this notice.

3. Members are requested to bring their Attendance slip along with their copy of Annual Report to the Meeting.

4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

5. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting (including through e-voting).

6. 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, except Saturdays, during business hours up to the date of the Meeting.

7. Brief resume of Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting in terms of Clause 49 of the Listing Agreement is annexed to the Notice.

8. The Register of Members and the Share Transfer Books of the Company will remain closed on Tuesday, 29<sup>th</sup> September, 2015 for determining the name of members eligible for dividend on Equity Shares and sub-division of shares, if approved by the members at the ensuing Annual General Meeting.

9.Members who hold shares in dematerialized form are requested to bring their client ID and DPID for easier identification of attendance at the meeting.

10.Members holding shares in identical order of names in more than one folio are requested to write to the Company / Registrar and Share

Transfer Agents (RTA) enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio for better services.

11. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company / RTA quoting their Folio Number. Members holding shares in the Demat form may update such details with their respective Depository Participants.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.

13. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the meeting so that the answers can be made available at the Meeting.

14. Members are requested to forward all Share Transfers and other communications to the RTA of the Company and are further requested to always quote their Folio Number in all correspondences with the Company.

15. As per provision of Section 72 of the Companies Act 2013 and Rule 19 (1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in single name and physical form are advised to make nomination in the prescribed form SH-13 with RTA and in respect of shares held in demat form, the nomination form may be filled with respective DP.

16. The dividend on Equity shares as recommended by the Board of Directors for the year ended 31<sup>st</sup> March, 2015, if approved by the members at the Annual General Meeting, will be paid to those members whose names stand registered in the Register of Members as on Tuesday, 29<sup>th</sup> September 2015; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

17. To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rule 2014, the Company is required to update its database by incorporating some additional details of its members.

You are thus requested to submit your e-mail ID and other details vide the e-mail updation form attached in this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and by returning the same by post.

The e-mail ID provided shall be updated subject to successful verification of your signatures as per record available with the RTA of the Company.

18. The Register of Directors' Shareholdings maintained under Section 170 and Register of Contract or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 are open for inspection at the Registered Office of the Company during the office hours on all working days, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting and will be open for inspection during the Annual General Meeting also.

19. The Notice of the 25<sup>th</sup> Annual General Meeting and instructions for e-voting, Attendance Slip and Proxy Form are being sent by electronic

mode to all members whose email address are registered with the Company/Depository Participant(s) unless member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by courier.

20. Information and other instructions relating to the e-voting:

(a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be passed in the 25th Annual General Meeting (AGM) by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').

(b) The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as agency to provide e-voting facility.

(c) 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 vote at the Meeting through ballot paper.

(d) The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

(e) The remote e-voting shall commence on Saturday, 26<sup>th</sup> September, 2015 (10.00 a.m.) and ends on Monday, 28<sup>th</sup> September, 2015 (5.00 p.m.). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, 22<sup>nd</sup> September 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(f) The voting rights of shareholders 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. Tuesday, 22<sup>nd</sup> September 2015.

(g) 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. Tuesday, 22<sup>nd</sup> September 2015 only shall be entitled to avail the facility of remote e-voting and voting at Meeting through ballot paper.

(h) The Board of Directors of the Company has appointed CS Manish Baldeva (Membership No. F6180), Proprietor M/s. M Baldeva Associates, Company Secretaries, as Scrutinizer to scrutinize the voting through ballot paper and remote e-voting process in a fair and transparent manner.

(i) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Tuesday, 22<sup>nd</sup> September 2015, may obtain the User ID and password by sending a request at [helpdesk.evoting@cDSL.in](mailto:helpdesk.evoting@cDSL.in) or [info@kesarpetroproducts.com](mailto:info@kesarpetroproducts.com). However, if the member is already registered with CDSL for remote e-voting then he can use his existing user ID and password for casting the vote through e-voting. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evotingindia.com](http://www.evotingindia.com) or contact CDSL at the following toll free no.: 1800-200-5533.

(j) The Scrutinizer, after scrutinizing the votes cast at the meeting through ballot paper and through remote e-voting, will, not later than 3 days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.kesarpetroproducts.com](http://www.kesarpetroproducts.com) and on the website of the CDSL <https://www.evotingindia.com/>.

(k) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. Tuesday, 29<sup>th</sup> September, 2015.

**The instructions for e-voting are as under:**

A. In case a Member receives an email from CDSL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

(i) Log on to the e-voting website <https://www.evotingindia.com/>

(ii) Click on Shareholder - Login

(iii) Now enter user ID and password

a. For CDSL: 16 digits beneficiary ID

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Members holding shares in Physical form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in DD/MM/YYYY format) (as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

(vii) After entering these details appropriately, click on "SUBMIT" tab;

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they

are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice;

(x) Select "EVSN" of KESAR PETROPRODUCTS LIMITED.

(xi) Now you are ready for e-voting as Cast Vote page opens.

(xii) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

(xiii) Upon confirmation, the message “Vote cast successfully” will be displayed

(xiv) Once you have voted on the resolution, you will not be allowed to modify your vote. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates;
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com);
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on;
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote;
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or has for requested physical copy]:

a) Please follow all steps from Sl. No. A (i) to Sl. No. A (xii) above, to cast vote.

(i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evotingindia.com](http://www.evotingindia.com)

(ii) 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).

#### **Information of directors being proposed for appointment / re-appointment [as required under Clause 49(VIII) (E) of the Listing Agreement]**

1. Mr. Mohit Prem Kumar Kaushik, aged 27 years, is having 6 year of experience in the field of Commercial activities. He is a member of Audit Committee, Stakeholders’ Relationship Committee and Nomination & Remuneration Committee of the Company. He is also director in M/s. Niyati Venture Private Limited. He is not related inter-se to any other directors on the Board within the meaning of Section 2(77) of the Companies Act, 2013. He does not hold any shares in the Company.

2. Mrs. Snehlata Dinesh Sharma, aged 54 years, having 28 years of experience in the field of Marketing and commercial activities. She joined as an Additional Director w.e.f. 30<sup>th</sup> May, 2015. She is also director in Deft Holdings Private Limited. She is not related inter-se to any other directors on the Board within the meaning of Section 2(77) of the Companies Act, 2013. She does not hold any shares in the Company.

#### **STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 5**

Mrs. Snehlata Dinesh Sharma (DIN: 01854393) was appointed as an Additional Director of the Company with effect from 30<sup>th</sup> May, 2015. Pursuant to the provisions of Section 161 of the Companies Act, 2013, she holds office as such upto the date of this Annual General Meeting. The Company has received a notice along with requisite deposit under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director.

The Board recommends passing of the Ordinary Resolution as set out at item no. 5 of the notice for the approval of the members.

Except Mrs. Snehlata Dinesh Sharma, none of other Directors or Key Managerial Personnel or their relatives are concerned or interested in this resolution.

#### **Item No.6**

Mr. Mohit Kaushik was appointed as an Executive Director of the Company w.e.f. 9<sup>th</sup> December, 2013. Mr. Mohit Kaushik, aged 27 years, has experience in the field of commercial activity. He is Bachelor in Commerce.

He is also appointed as an Executive Director of the Company for a period of 3 (three) years w.e.f. 9<sup>th</sup> December, 2013, subject to the approval of the members of the Company on remuneration of Rs. 25,000/- per month to be payable w.e.f. 1<sup>st</sup> April 2014 for remaining period of tenure.

The Board considered that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Mohit Kaushik as an Executive Director. Accordingly, the Board recommends the resolution in relation to payment of remuneration to Mr. Mohit Kaushik for the approval by the shareholders of the Company.

Mr. Mohit Kaushik is not holding any shares in the Company. Except, Mr. Mohit Kaushik, none of the Directors, Key Managerial Personnel of your Company and relatives of Directors/ Key Managerial Personnel are concerned or interested in the said resolution.

#### **Item Nos. 7 & 8**

The Equity Shares of the Company are listed on BSE Limited. In order to facilitate the benefits like more liquidity, less volatility and broad base to small investors, it is proposed to sub divide existing Equity Shares of Rs.10/- each fully paid up into 10 Equity Shares of Re.1/- each fully paid

up.

Presently the Authorised Share Capital of the Company Rs. 35,00,00,000/- (Rupees Thirty Five Crores Only) divided into 3,50,00,000 (Three Cores fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten Only) each. The proposed sub division of existing Equity Shares requires the alteration of Capital Clause V of the Memorandum of Association with the approval of members.

A copy of Memorandum of Association of the Company together with the proposed alteration would be available for inspection by the members at the Registered Office of the Company during business hours on any working days except Public holidays upto the date of Annual General Meeting.

The Board recommends passing of the Resolutions as set out at item nos. 7 & 8 of the notice for the approval of the members.

None of Directors or Key Managerial Personnel or their relatives are concerned or interested in these resolutions.

**By Order of the Board of Directors**  
For **Kesar Petroproducts Limited**

**Mohit Kaushik**  
**Executive Director**  
**DIN: 06463483**

**Place: Mumbai**  
**Date: 28<sup>th</sup> August, 2015**



## DIRECTORS' REPORT

To,  
The Members

Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2015.

### FINANCIAL RESULTS:

The Company's financial performance for the year ended 31<sup>st</sup> March, 2015 is summarized below:  
(Rs. In Lacs)

Particulars	2014-15	2013 - 14
Total Turnover & Other Income	14618.22	15354.66
(Less) : Manufacturing and Other Expenses	13852.18	15102.73
Profit / (Loss) before interest and depreciation	766.04	251.93
(Less) : Interest	8.50	0.67
Profit / (Loss) After Interest	757.54	251.26
(Less) : Depreciation and Misc. Expenses written off	97.19	42.74
Net Profit before Tax	660.35	208.52
(Less) : Provision for Tax	135.37	42.72
Profit/(Loss) after tax	524.98	165.80
Less : Proposed dividend	72.67	-
Dividend Distribution Tax	14.87	-
Balance Profit/(Loss) brought forward from Previous Year	187.71	21.91
Balance profit carried to balance Sheet	625.15	187.71

### REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

The total net profit before tax of the Company has increased from Rs. 208.52 Lacs to Rs. 660.35 Lacs in 2015. The Net profit after tax has increased from Rs. 165.80 Lacs to Rs. 510.11 Lacs in 2015.

During the year, the Company has undertaken production of CPC Crude and cuprous chloride. Some of the production was undertaken done on job work basis. The Company is trying to initiate and streamline the operations cycle of the plant by bringing about structural and strategic alterations in the plant and also by investing funds and resources for upgrading and tapping the production capabilities of the Company.

### DIVIDEND:

Your Directors have recommended a dividend of Re. 1 per share, being 10% of the paid-up equity capital of the company for the year ended 31<sup>st</sup> March, 2015. Total outflow on account of payment of dividend would be Rs. 72.67 Lacs and on account of the Dividend Distribution Tax would be Rs.14.87 Lacs. The Dividend, if approved, will be paid to those members whose names appear on the Register of Members / list of Beneficiaries as on 29<sup>th</sup> September, 2015

### MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

#### **DIRECTORS:**

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, Mr. Mohit Prem Kumar Kaushik (DIN: 06463483) of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Board of Directors of the Company has appointed Mrs. Snehalata Dinesh Sharma (DIN: 01854393) as an Additional Director of the Company w.e.f. 30<sup>th</sup> May, 2015 and holds office upto the date of Annual General Meeting. The Company has received a notice along with requisite deposit from a member of the Company under Section 160 of Companies Act, 2013 proposing her candidature for the office of the Director of the Company.

Your Board recommends for appointment of Mrs. Snehalata Dinesh Sharma and re-appointment of Mr. Mohit Prem Kumar Kaushik as Directors of the Company.

Ms. Shruti Dinesh Sharma (DIN: 05329003) was appointed as an Additional Director of the Company w.e.f. 27<sup>th</sup> March, 2015 and tender her resignation from post of directorship w.e.f. 30<sup>th</sup> May, 2015.

#### **KEY MANAGERIAL PERSONNEL**

Mr. Mohit Prem Kumar Kaushik (DIN: 06463483) was appointed as Executive Director of the Company w.e.f. 9<sup>th</sup> December, 2013 and as Chief Executive Officer w.e.f. 30<sup>th</sup> May, 2015.

Mr. Anil Rajkotia is appointed as Company Secretary of the Company w.e.f. 1<sup>st</sup> September, 2014.

Mr. R.V. Srinivasan is appointed as a Chief Financial Officer of the Company w.e.f. 30<sup>th</sup> May, 2015.

#### **DEPOSITES:**

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act 2013 read with the Companies (Acceptance deposits Rules), 2014.

#### **EXTRACTS OF ANNUAL RETURN:**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is attached herewith and marked as 'Annexure 1'.

#### **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:**

The Board met 11 (Eleven) times during the year. The details of the meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### **DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement that:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis;

(e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **DECLARATION OF INDEPENDENT DIRECTORS:**

The Independent Directors of the Company have given the requisite declaration pursuant to Section 149(7) of the Companies Act, 2013 to the effect that they meet criteria of independence as provided in Section 149(6) of the Act.

#### **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

#### **STATUTORY AUDITORS:**

M/s. Sayeed khan & Associates , Chartered Accountants (FRN: 1252227W) Mumbai, the Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that they are willing to continue as Statutory Auditors and if re-appointed, their re-appointment would be within the limits prescribed under Section 139 of the Companies Act, 2013 and they are not

disqualified from being appointed as Auditors.

Your Directors recommend the re-appointment of M/s. Sayeed khan & Associates, Chartered Accountants, Mumbai, as Statutory Auditors of the Company to hold office from the conclusion of the ensuing 25<sup>th</sup> Annual General Meeting upto the conclusion of 26<sup>th</sup> Annual General Meeting of the Company and to audit financial statements for the financial year 2015-16.

#### **SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Pankaj Desai, Proprietor M/s. Pankaj & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is attached herewith and marked as 'Annexure 2'.

#### **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:**

There was no qualifications, reservations or adverse remarks made by the either by the Auditors or by the Practicing Company Secretary in their respective reports.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

There were no loans, guarantees and investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

There were no contracts or arrangements or transactions with any related parties during the year under review.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Details regarding conservation of energy, technology absorption, foreign exchange earnings and outgo is attached herewith and marked as :'**Annexure 3**'.

### **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

### **FORMAL ANNUAL EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the year under review, no significant or material order was passed by any regulatory authority which may have bearing on going concern status or on operations of the company in future.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Company

monitors and evaluates the efficacy and adequacy of internal control system in place, its compliance with operating systems, accounting procedures and policies.

### **AUDIT COMMITTEE AND ITS COMPOSITION**

As on 31<sup>st</sup> March, 2015, the Audit Committee comprised of Mr. Nazirsaheb Sayyed, Mr. Sunil Sawant and Mr. Mohit Kumar Kaushik. Mr. Nazirsaheb Sayyed is a Chairman to the Committee.

The Audit Committee of the Company reviews the reports to be submitted with the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process.

Other details with respect to Audit Committee are given in Corporate Governance Report.

### **WHISTLE BLOWER/VIGIL MECHANISM POLICY:**

The Company has a Vigil Mechanism/Whistle Blower policy to deal with instance of fraud and mismanagement, if any. The mechanism also provides for adequate safeguards against

victimization of directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. The details of the Vigil Mechanism Policy is explained in the Corporate Governance Report and also posted on the website of the Company. We affirm that during the financial year 2014-15, no employee or director was denied access to the Audit Committee.

### **MANAGERIAL REMUNERATION AND OTHER DETAILS:**

The necessary details/disclosures of Ratio of Remuneration to each Director to the median employee's remuneration and other details pursuant to the section 197(12) of the Companies Act, 2013 and as per Rule 5 of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked as **'Annexure 4'**.

#### **CORPORATE GOVERNANCE REPORT AND MDA:**

Pursuant to Clause 49 of the Listing Agreement entered into with the stock exchange, the following have been made a part of the Annual Report and are attached to this report:

- Corporate Governance Report
- Auditors' Certificate regarding compliance of conditions of Corporate Governance
- Management Discussion and Analysis Report

#### **SHARE CAPITAL:**

There is no change in the Share Capital of the Company. As on 31<sup>st</sup> March, 2015, the issued, subscribed and the paid up share capital of the Company stood at Rs. 7,26,73,170/- comprising of 72,67,317 Equity Shares of Rs. 10/- each.

On 7<sup>th</sup> February, 2015, the Company has issued and allotted 24,00,000 warrants for cash at price of Rs. 59/- (Rupees Fifty Nine only) each including premium of Rs. 49/- (Rupees Forty Nine only) each on preferential basis, carrying an option / entitlement to subscribe to equivalent number of Equity Shares of Rs. 10/- (Rupees Ten) each within a period of 18 months from the date of their issue.

#### **ACKNOWLEDGEMENTS:**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

#### **For & on behalf of the Board of Directors For Kesar Petroproducts Limited**

**Nazirsaheb Sayyad**  
**Director**  
**DIN: 01820552**

**Mohit Kaushik**  
**Executive Director**  
**DIN: 06463483**

**Place: Mumbai**

**Date: 28<sup>th</sup> August, 2015**

**Annexure 1****Form No. MGT-9****EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31<sup>st</sup> March, 2015 of**KESAR PETROPRODUCTS LIMITED**

[Pursuant to Section 92 (1) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

<b>I REGISTRATION AND OTHER DETAILS</b>	
i. CIN	L23209PN1990PLC054829
ii. Registration Date	01.01.1990
iii. Name of the Company	Kesar Petroproducts Limited
iv. Category / Sub-Category of the Company	Company Limited By Shares
v. Address of the Registered office and contact details	D-711, MIDC,Lote Parshuram,Ratnagiri-415722
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. System Support Services Address: 09, Shivai Industrial Estate, Near Parke Davis 89, Andheri - Kurla Road Sakinaka, Mumbai - 400 072. Tel Nos.: 28500835 (5 lines) E-mail: syss72@yahoo.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-			
Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Petroproducts & Chemicals	24224	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associates	% of shares held	Applicable Section
	NA				

<b>IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b>									
<b>i. Category-wise Share Holding</b>									
Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1	3500000	3500001	48.16	1	3500000	3500001	48.16	0
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0
f) Other -	0	0	0	0.00	0	0	0	0.00	0
<b>Sub- Total (A) (1):-</b>	<b>1</b>	<b>3500000</b>	<b>3500001</b>	<b>48.16</b>	<b>1</b>	<b>3500000</b>	<b>3500001</b>	<b>48.16</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs									
Individuals	0	0	0	0.00	0	0	0	0.00	0
b) Other									
Individuals	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
d) FII	0	0	0	0.00	0	0	0	0.00	0
e) Any Other	0	0	0	0.00	0	0	0	0.00	0
<b>Sub - Total (A) (2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>1</b>	<b>3500000</b>	<b>3500001</b>	<b>48.16</b>	<b>1</b>	<b>3500000</b>	<b>3500001</b>	<b>48.16</b>	<b>0</b>

Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2014)			No. of Shares held at the end of the year (31.03.2015)			% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
<b>B. Public Shareholding</b>								
1. Institutions								
a) Mutual Funds	538	245	783	0.01	538	241	779	0.01
b) Banks / FI	23	140	163	0.01	23	140	163	0.01
c) Central Govt	0	0	0	0.00	0	0	0	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00
f) Insurance Companies	267	0	267	0.00	267	0	267	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00
<b>Sub- Total (B)(1) :-</b>	<b>828</b>	<b>385</b>	<b>1213</b>	<b>0.02</b>	<b>828</b>	<b>381</b>	<b>1209</b>	<b>0.02</b>
<b>2. Non-Institutions</b>								
a) Bodies Corp.								
i) Indian	43270	2045	45315	0.62	48519	2031	50550	0.70
ii) Overseas	0	0	0	0.00	0	0	0	0.00
b) Individuals								
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	168461	3542191	3710652	51.06	163596	41860	205456	2.83
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0.00	3500000	0	3500000	48.16
C) Others-NRI	136	10000	10136	0.00	101	10000	10101	0.14
<b>Sub-Total (B)(2):-</b>	<b>211867</b>	<b>3544236</b>	<b>3766103</b>	<b>51.82</b>	<b>3712216</b>	<b>53891</b>	<b>3766107</b>	<b>51.82</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>212695</b>	<b>3544621</b>	<b>3767316</b>	<b>51.84</b>	<b>3713044</b>	<b>54272</b>	<b>3767316</b>	<b>51.84</b>
C) Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00
<b>Grand Total (A + B + C)</b>	<b>212696</b>	<b>7044621</b>	<b>7267317</b>	<b>100.00</b>	<b>3713045</b>	<b>3554272</b>	<b>7267317</b>	<b>100.00</b>



**(ii) Shareholding of Promoters**

Sr. No	Shareholder's Name	Share holding at the beginning of the year (as on 01/04/2014)			Share holding at the end of the year (as on 31/03/2015)			% change in share holding during the year
		No. of Shares"	% of total Shares of the company"	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares"	
1	Dinesh Sharma HUF	3000000	41.28	0	3000000	41.28	0	0
2	Rajkumar	500000	6.88	0	500000	6.88	0	0
3	Shankarlal Sharma	1	0.00	0	1	0.00	0	0
	<b>TOTAL</b>	<b>3500001</b>	<b>48.16</b>	<b>0</b>	<b>3500001</b>	<b>48.16</b>	<b>0</b>	<b>0</b>

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total No. of shares the company	shares of the	% of total shares of the company
At the beginning of the year(01.04.2014)	<b>As per point No.IV (ii)</b>			
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>There is no change in the Promoters holding</b>			
At the End of the year (31.03.2015)	<b>As per point No.IV (ii)</b>			

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total	shares of the No. of shares the company	% of total shares of the company
<b>For Each of the Top 10 Shareholders</b>				
At the beginning of the year (01.04.2014)				
Mr. Shreyas Dinesh Sharma	1750000	24.08	1750000	24.08
Ms. Shruti Dinesh Sharma	1750000	24.08	1750000	24.08
Maharashtra Petrochemicals	25726	0.35	25726	0.35
Chavda Vikram Kalubhai	10457	0.14	10457	0.14
Blue Grotto Investment Ltd	10000	0.14	10000	0.14
Affluence Shares And Stocks Private Ltd.	4455	0.06	4455	0.06
Malvika Harbo Pharma Pvt.ltd	3717	0.05	3717	0.05
Suresh Kumar Seksaria	2848	0.04	2848	0.04
Deepak Vilayait Bhojwani	1864	0.03	1864	0.03
G B L Power Limited	1643	0.02	1643	0.02
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	There is no change during the year.			
<b>At the End of the year ( or on the date of separation, if separated during the year) (31.03.2015)</b>				
	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total	shares of the No. of shares the company	% of total shares of the company
<b>For Each of the Top 10 Shareholders</b>				
At the beginning of the year (01.04.2014)				
Mr. Shreyas Dinesh Sharma	1750000	24.08	1750000	24.08
Ms. Shruti Dinesh Sharma	1750000	24.08	1750000	24.08
Maharashtra Petrochemicals	25726	0.35	25726	0.35
Chavda Vikram Kalubhai	10457	0.14	10457	0.14
Blue Grotto Investment Ltd	10000	0.14	10000	0.14
Affluence Shares And Stocks Private Ltd.	4455	0.06	4455	0.06
Malvika Harbo Pharma Pvt.ltd	3717	0.05	3717	0.05
Suresh Kumar Seksaria	2848	0.04	2848	0.04
Deepak Vilayait Bhojwani	1864	0.03	1864	0.03
G B L Power Limited	1643	0.02	1643	0.02

<b>v) Shareholding of Directors and Key Managerial Personnel</b>				
	<b>Shareholding at the beginning of the year (01.04.2014)</b>		<b>Cumulative Shareholding during the year</b>	
	No. of shares	% of total of shares the company	No. of shares	% of total shares of the company
For Each of the Directors and KMP				
At the beginning of the year (01.04.2014)				
Ms. Shruti Sharma*	1750000	24.08	1750000	24.08
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		There is no change during the year.		
At the End of the year (31.03.2015)				
Ms. Shruti Sharma	1750000	24.08	1750000	24.08

\* Ms. Shruti Sharma was appointed as Director w.e.f. 27<sup>th</sup> March,2015.

#### **V. INDEBTEDNESS**

<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment Rs.</b>				
<b>Particulars</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year(01.04.2014)</b>				
i) Principal Amount	40519037	20182495	0	60701532
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>40519037</b>	<b>20182495</b>	<b>0</b>	<b>60701532</b>
Change in Indebtedness during the financial year				
Addition	18614069	0	0	18614069
Reduction	0	7587062	0	7587062
<b>Net Change</b>	<b>18614069</b>	<b>7587062</b>	<b>0</b>	<b>26201131</b>
<b>Indebtedness at the end of the financial year(31.03.2015)</b>				
i) Principal Amount	59133106	12595433	0	71728539
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>59133106</b>	<b>12595433</b>	<b>0</b>	<b>71728539</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SI No.	Particulars of Remuneration	Mr.Mohit Kaushik (Rs.)	Total Amount (Rs.)
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961"	300000	300000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961"	-	-
	(c) Profits in lieu of salary under section 17(3) Incometax Act, 1961"	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	<b>300000</b>	<b>300000</b>
	Ceiling as per the Act (5% of profits calculated under Section 198 of the Companies Act,2013)		1042605

**B. Remuneration to other directors:**

SI No.	Particulars of Remuneration	Total Amount (Rs.)
1.	Independent Directors	
	• Fee for attending board / committee meetings	-
	• Commission	-
	• Others, please specify	-
	<b>Total (1)</b>	<b>-</b>
2.	Other Non-Executive Directors	
	• Fee for attending board / committee meetings	-
	• Commission	-
	• Others,	-
	<b>Total (2)</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>-</b>
	<b>Total Managerial Remuneration</b>	<b>300000</b>
	<b>Ceiling as per the Act (5% of profits calculated under Section 198 of the Companies Act,2013)</b>	<b>1042605</b>

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr.Ajay Rajkotia- Company Secretary	Total
1	Gross salary	(Rs.)	(Rs.)
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	52500	52500
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Incometax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5	Others allowances	-	-
	<b>Total</b>	<b>52500</b>	<b>52500</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties/ punishment/ compounding of offences for breach of any section of Companies Act against the Company or its Directors or other Officers in default, if any, during the year.

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: 28.08.2015**

**Nazirsaheb Sayyed**  
**Director**

**Mohit Kaushik**  
**Executive Director**

**Annexure 2**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Kesar Petroproducts Limited**  
D-711, MIDC,LoteParshuram,  
Ratnagiri-415722

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KesarPetroproducts Limited('the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluation the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, I hereby report that in my opinion, the Companyhas, during the audit period covering the financial year ended on 31<sup>st</sup> March 2015 ('Audit Period'),generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Companyfor the financial year ended on 31<sup>st</sup> March,2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the Company during the Audit period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009,andThe Securities and Exchange Board of India(Share Based Employee Benefits) Regulations,2014 notified on 28<sup>th</sup> October, 2014 (not applicable to the Company during the Audit period);

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
  - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period); and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit period);
- vi. Other laws applicable to the Company as per representation made by the Company.

I have also examined compliance with the applicable clause of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable as Secretarial Standards were not notified during the audit period); and
- (ii) The Listing Agreement for Equity Shares entered into by the Company with BSE Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non –Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally at least seven days in advance, except delay in some cases and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory auditors and other designated professionals.

**I further report that** during the audit period:

- a. The Company has adopted new set of Article of Associations of the Company vide special resolution passed in the Annual General Meeting held on 30<sup>th</sup> September, 2014.
- b. The Company has obtained approval of the members under Section 180(1)(c)&(a) of the Companies

Act, 2013 vide passing Special Resolution in the Annual General Meeting held on 30<sup>th</sup> September, 2014 for increase in borrowing limits up to Rs. 100 Crores and to give authority to create charge on the assets of the company .

c. The Company has issued and allotted 24,00,0000 Convertible Warrants carrying an option / entitlement to subscribe to equivalent number of Equity Shares of Rs. 10/- (Rupees Ten) each at price of Rs. 59/-(Rupees Fifty Nine only) each including premium of Rs. 49/- (Rupees Forty Nine only) each on preferential basis on 7<sup>th</sup> February,2015.

**For Pankaj & Associates**  
Company Secretaries

**CS Pankaj Desai**  
Proprietor  
M.No.3398, CP No.4098

Place: Mumbai  
Date: 28<sup>th</sup> August, 2015

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.



To,  
The Members,  
**Kesar Petroproducts Limited**  
D-711, MIDC, Lote Parshuram,  
Ratnagiri-415722

Our report of even date is to read along with this letter.

1.Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2.We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.

3.We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.

4.Wherever required, we have obtained the Management representation about the compliance of laws rules and regulations and happening of events etc.

5.The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.

6.The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Pankaj & Associates**  
Company Secretaries

**CS Pankaj Desai**  
Proprietor  
M.No.3398, CP No.4098

Place: Mumbai  
Date: 28<sup>th</sup> August, 2015

**Annexure 3****The Details of Conservation of energy, technology absorption, foreign exchange earnings and outgo****A. CONSERVATION OF ENERGY**

- i. the steps taken or impact on conservation of energy - Nil
- ii. the steps taken by the company for utilising alternative sources of energy:-  
Exploring the possibility of power generation through sulphuric Acid.
- iii. the capital investment on energy conservation equipment - Rs.30 Lacs (VFD) Panel Board.

**B. TECHNOLOGY ABSORPTION**

- i. the efforts made towards technology absorption - Nil
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution – Nil
- iii. in case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):
  - (a) the details of technology imported: Nil
  - (b) the year of import : Nil
  - (c) whether the technology been fully absorbed : Nil
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Nil
- iv. the expenditure incurred on Research and Development : Nil

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

- i. The foreign exchange earned (actual inflows) – Rs.3,50,16,257/- (FOB)
- ii. The foreign exchange outgo (actual outflows) – Rs.7,24,93,360/- (CIF)

## Annexure 4

**(A) DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 are as under:

<b>So. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Ratio of the remuneration to the median remuneration of the employees of the Company for the financial year 2014-15</b>
1.	Mr. Mohit Kaushik	Executive Director	1.29:1

ii. The percentage increase in remuneration of each Director and Company Secretary during the financial year 2014-15 are as under:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>% increase in Remuneration in the Financial Year 2014-15</b>
1.	Mr. Mohit Kaushik	Executive Director	No increase in remuneration during the year.
2.	Mr. Anil Rajkotia	Company Secretary	

iii. The comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

<b>Name of the Director/KMP</b>	<b>Designation</b>	<b>% increase in Remuneration</b>	<b>in increase in PBT</b>
Mr. Mohit Kaushik	Executive Director	NIL	216.68%
Mr. Anil Rajkotia	Company Secretary	NIL	216.68%

iv. The percentage increase in the median remuneration of employees in the financial year: (NIL)

v. There were 182 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2015;

vi. Relationship between average increase in remuneration and company performance: The Profit before Tax for the financial year ended 31<sup>st</sup> March, 2015 increased by 451.83 whereas the overall remuneration increased by 111.73 during the year. There is no direct relationship between average increase in remuneration year to year with financial performance of the company.

vii. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

During the year there was no increase in remuneration of Key Managerial Personnel. The Profit before Tax increased by 216.68% to Rs.6.60 crore in 2014-15 Rs.2.09 crore in F.Y. 2013-14).

viii. a) Variations in the market capitalisation of the Company: The market capitalization as on 31<sup>st</sup> March, 2015 was Rs. 44.91 crores. (The trading in shares of the company was under suspension on the BSE, hence figures of market capitalization as on 31<sup>st</sup> March, 2014 are not available).

b) Price Earnings ratio of the Company : Nil

c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer - The Company did not come out with any public offers in the last financial year.

ix. Average percentage increase made in the

salaries of employees other than the managerial personnel in the last financial year i.e. 2014- 15: (NIL)

x. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

xi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable.

xii. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**(B) Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

None of directors or employees were in receipt of remuneration exceeding the limits as prescribed in the said rule, hence no such information is furnished.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Today, we are the leading manufacturers of Phthalocyanine Blue Crude and its downstream products in India and contribute upto 15% of the entire Copper Phthalocyanine market of India. The company has a global presence in 15 countries.

The production capacity of Kesar Petroproducts in Copper Phthalocyanine Blue Crude is 1500 metric tons per month, in Alpha Blue is 200 metric tons per month and in Pigment Green 7 is 50 metric tons per month. We also plan to expand their operations in the Beta Blue market with a production capacity of 250 metric tons per month. This rapidly growth production capacity makes us one of the most progressive players in the industry.

### INDUSTRY STRUCTURE AND DEVELOPMENTS

Chemicals are an integral part of our modern day life. There is hardly any industry where chemical substances are not used. Pigments are an integral ingredient of the chemical industry. Pigments are colouring agents that can be classified into phthalo and azo pigments. Phthalocyanine pigments are one of the largest categories of pigments manufactured in India. Your Company is engaged in the manufacture of Phthalocyanine Blue Crude and its downstream products in India.

### OPPORTUNITIES, THREATS, RISK & CONCERNS

The global pigments industry produces hundreds of colourants for a wide spectrum of industries and consumers. The major markets are printing inks, paints and coatings, plastics, paper, ceramics, textiles, glass, food and cosmetics.

With more and more people are moving to urban areas there has been a hefty growth in the paints and coating industry. The Asia Pacific region is expected to grow as demand and production of

pigment are shifting from the US, Europe and Japan to the emerging markets of Asia, especially China and India.

A steady increase in the large pigments markets such as paint and coating will catalyse volumes. With the printing ink industry also performing well, it will open up newer opportunities for the Company.

Raw material availability and their costs are always a concern. The key raw materials used in the manufacture of the pigments are derivatives of crude oil. Hence, prices of raw material vary with fluctuation in the international crude oil prices. The Company has an in built system of monitoring the inventory and logistics. Further production process of the Company is vertically integrated, where CPC Blue Crude is the primary raw material for the production of Pigment Blue. This helps the Company to manage the raw material cost. The future of pigment production is completely dependent on the ability to treat the waste water. The Company has been investing continuously in meeting its obligations towards protecting the environment. Towards this step, the company aims at providing a seamless integration of quality and schedule by ensuring timely deliveries, state-of-the-art manufacturing products, new age technology, constant innovation and economic viability. The Audit Committee monitors the implementation of the risk mitigation plans.

### OUTLOOK

Indian economy is expected for slow revival with continued inflationary prices, rising raw material cost, depreciating rupee. The global economy shows signs of revival but with no significant upturn. Developed economics like North America and Europe which are major consumers of pigment are gradually recovering and accordingly demand for printing inks, paints and coating is expected to pick up, which will benefit the Company.

The Company will continue its efforts to increase the utilization of its installed capacities, which will be crucial to achieve an improvement in the operational results. Priority will be on the quality of the products. The disciplined focus will be cost reductions, operating efficiencies and diligent cash deployment in value creating opportunities.

The Company is also taking efforts to increase the product line whereby company will be in a position to increase the margin on sales.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a proper and adequate system of internal controls commensurate with its size and business operation to ensure timely and accurate financial reporting in accordance with applicable accounting standards, safeguarding of assets against unauthorized use or disposition and compliance with all applicable regulatory laws and company policies. Internal control systems are reviewed by Audit Committee on a regular basis for its effectiveness and the necessary changes suggested are incorporated into the system.

### **FINANCIAL PERFORMANCE**

The financial performance of the company has been discussed and disclosed in the Director's Report.

### **HUMAN RESOURCES DEVELOPMENT**

The Industrial relations climate of your Company continues to remain harmonious with focus on productivity, quality and safety. During the year under review, there were, no significant labour issues outstanding or remaining unresolved during the year. The Board records their appreciation of the commitment and support of the employees and looks forward to their continued support. As on 31<sup>st</sup> March 2015, the Company had 182 permanent employees.

### **CAUTIONARY STATEMENT**

Some of the statements in this "Management Discussion and Analysis", describing the Company's objectives, projections, estimates, expectations and predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

## REPORT ON CORPORATE GOVERNANCE (Pursuant to Clause 49 of the Listing Agreement)

### 1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company is committed to benchmarking itself with the best in all areas including Corporate Governance. The Company's philosophy of Corporate Governance is aimed at strengthening the confidence among shareholders, customers, employees and ensuring a long – term relationship of trust by maintaining transparency and disclosures. The Company believes in maintaining highest standards of quality and ethical conduct, in all the activities of the Company.

### 2. BOARD OF DIRECTORS:

#### Composition:

As on 31<sup>st</sup> March, 2015, the Board of Directors consisted of Four Directors. The composition of the Board, attendance at Board Meetings held during the year and at the last Annual General Meeting, number of directorships in other companies and Chairmanship/Membership in Committees are given below:

Name of Director	Category	No. of Board Meetings held	Attendance Particulars		No. of other Directorships	Committee Positions (including Company)	
			Board Meeting	Last AGM		Member ships	Chairman
Mr. Nazirsaheb Sayyed	Independent Director	11	11	Yes	Nil	-	3
Mr. Sunil Sawant	Independent Director	11	11	Yes	Nil	3	-
Mr. MohitPrem Kumar Kaushik	Executive Director	11	11	Yes	1	3	-
Ms. Shruti Dinesh Sharma*	Additional Director	1	1	N.A	1	-	-

\*Appointed w.e.f. 27<sup>th</sup> March,2015 and resigned on 30<sup>th</sup> May,2015.

1. The directorship held by Directors as mentioned above do not include Directorships of Foreign Companies and Section 8 Companies.

2. Membership/Chairmanship of only the Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies has been considered.

**Number and date of Board Meetings held:**

Eleven Board Meetings were held during the year 2014-2015. The dates on which the meetings were held are as follows:

Date of Board Meeting	Strength of the Board	No. of Directors present
14 <sup>th</sup> May, 2014	3	3
25 <sup>th</sup> June, 2014	3	3
12 <sup>th</sup> August, 2014	3	3
1 <sup>st</sup> September, 2014	3	3
8 <sup>th</sup> Septemebr, 2014	3	3
10 <sup>th</sup> November, 2014	3	3
4 <sup>th</sup> December, 2014	3	3
7 <sup>th</sup> February, 2015	3	3
10 <sup>th</sup> February, 2015	3	3
20 <sup>th</sup> February, 2015	3	3
27 <sup>th</sup> March, 2015	4	4

**3. AUDIT COMMITTEE:****Composition:**

As on 31<sup>st</sup> March, 2015, the Audit Committee comprised of Mr. Nazirsaheb Sayyed, Mr. Sunil Sawant and Mr. Mohit Prem Kumar Kaushik. Mr. Nazirsaheb Sayyed is a Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee.

**Brief description of terms of reference:**

The Broad terms and reference of Audit Committee are to review the financial statements before submission to Board, to review reports of the Internal Auditors and to review the weakness in internal controls reported by Internal and Statutory Auditors and to review the remuneration of Internal and Statutory Auditors. In addition, the powers and role of the Audit Committee are as laid down under clause 49(III) (C) and 49(III) (D) of the Listing Agreement read with Section 177 of the Companies Act, 2013.

**Meeting and attendance during the year:**

The Audit Committee met five times viz. 14<sup>th</sup> May, 2014, 12<sup>th</sup> August, 2014, 8<sup>th</sup> September, 2014, 10<sup>th</sup> November, 2014 and 10<sup>th</sup> February, 2015 during the year under review. The number of meetings attended by each member during the year ended 31<sup>st</sup> March, 2015 is as follows:

Name of the member	Designation	No. of Meetings	
		Held	Attended
Mr. Nazirsaheb Sayyed	Chairman	5	5
Mr. Sunil Sawant	Member	5	5
Mr. Mohit Prem Kumar Kaushik	Member	5	5

The Company Secretary of the Company acts as Secretary to the Committee.



**4. NOMINATION AND REMUNERATION COMMITTEE:****Composition:**

As on 31<sup>st</sup> March, 2015, the Nomination and Remuneration Committee comprised of Mr. Nazirsaheb Sayyed, Mr. Sunil Sawant and Mr. Mohit Prem Kumar Kaushik. Mr. Nazirsaheb Sayyed is a Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee.

**Brief description of terms of reference:**

The terms of reference of the Nomination and Remuneration Committee are wide enough covering the matters specified for Remuneration to the Directors under Clause 49 of the Listing Agreement.

**Meeting and attendance during the year:**

During the year under review, 2 (two) meetings of the Committee were held on 8<sup>th</sup> September, 2014 and 27<sup>th</sup> March 2015. No remuneration was paid to any directors of the Company during the year ended 31<sup>st</sup> March, 2015.

Details of remuneration/sitting fees paid to Directors during the year ended 31<sup>st</sup> March, 2015 and shares held by them on that date are as follows:

(Rs.)

Name	Salary	Perquisites or Allowances	Contribution to PF & others	Commission	Sitting fees	Total	Total no. of shares held
Mr Nazirsaheb Sayyed	-	-	-	-	-	-	-
Mr Sunil Sawant	-	-	-	-	-	-	-
Mr- MohitPrem Kumar Kaushik	3,00,000	-	-	-	-	3,00,000	-
Ms. Shruti Sharma	-	-	-	-	-	-	17,50,000

The Non-Executive Directors did not draw any remuneration from the Company.

**5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:****Composition:**

The Stakeholders' Relationship Committee comprises of Mr. Nazirsaheb Sayyed, Mr. Sunil Sawant and Mr. MohitPrem Kumar Kaushik. Mr. Nazirsaheb Sayyed is a Chairman of the Committee.

Mr. Anil Vrijdas Rajkotia– Company Secretary & Compliance Officer

**Address and contact details are given below:**

Address: D-711, MIDC, Lote Parshuram, Ratnagiri-415722

Phone: 02356-272339

Fax: 02356-272339

Email: info@kesarpetroproducts.com

The Stakeholders' Relationship Committee met four times viz. 14<sup>th</sup> May, 2014, 12<sup>th</sup> August, 2014, 10<sup>th</sup> November, 2014 and 10<sup>th</sup> February, 2015 during the year under review. The composition of the Committee as on 31<sup>st</sup> March, 2015 and the number of meetings attended by each member during the year ended on that date is as follows:

Name of the Member	Designation	No. of Meetings	
		Held	Attended
Mr. Nazirsaheb Sayyed	Chairman	4	4
Mr. Sunil Sawant	Member	4	4
Mr. Mohit Prem Kumar Kaushik	Member	4	4

The Committee meets as and when required to deal with the matters relating to monitoring and redressal of complaints from shareholders relating to transfer, non -receipt of Annual Report, etc.

The Committee is also empowered to consider and approve the physical transfers, transmissions, transposition, issue of duplicate certificates, consolidation / split / renewal of share certificates etc.

At the beginning of the year	Received during the year	Resolved during the year	Pending
3	24	25	2

There were no share transfers pending for registration for more than 15 days as on 31<sup>st</sup> March, 2015.

The Company Secretary of the Company acts as Secretary to the Committee.

**6. GENERAL BODY MEETINGS:****• Location and time, where last three Annual General Meetings (AGM) held:**

Financial year	Time	Date	Location
2011-12	11.00 a.m.	29 <sup>th</sup> September, 2012	D-7/1,MIDC, Lote Parshuram,Taluka Khed, District Ratnagiri.
2012-13	11.00 a.m.	30 <sup>th</sup> September, 2013	D-7/1,MIDC, Lote Parshuram,Taluka Khed, District Ratnagiri.
2013-14	11.00 a.m.	30 <sup>th</sup> September, 2014	D-7/1,MIDC, Lote Parshuram,Taluka Khed, District Ratnagiri.

**•Special resolutions at last three AGMs:**

AGM	Particulars of Special Resolutions
29 <sup>th</sup> September, 2012	No special resolution was passed
30 <sup>th</sup> September, 2013	No special resolution was passed
30 <sup>th</sup> September, 2014	<ul style="list-style-type: none"> <li>• Adoption of new set of Article of Association of the Company.</li> <li>• Authority to the Board of Directors to borrow money, whether secured or unsecured, exceeding aggregate of the paid up capital and free reserves subject to maximum limit of Rs.100 Crores.</li> <li>• Authority to the Board of Directors to createmortgages/charges/ hypothecation on all or any of the immovable and/or movable assets of the Company, both present and future upto an amount as approved by the shareholders of the company under section 180 (1) (c) of the Companies Act, 2013.</li> </ul>

During the year under review, one Extra Ordinary General Meeting of the Company was held on 17<sup>th</sup> January, 2015 for approving issue of 24, 00, 000 Convertible warrants on preferential basis.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

## 7. DISCLOSURES:

### a) Related party transactions:

During the year under review, there no transactions with related parties. The policy on dealing with Related Party Transaction is available on Company's website at [www.kesarpetroproducts.com](http://www.kesarpetroproducts.com) under Investor Relation Section.

### b) Compliance by the Company:

The Company has complied with all the requirements of listing agreements entered into with the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory Authorities.

### c) Whistle-Blower Policy/Vigil Mechanism and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. We affirm that during the financial year 2014-15, no employee was denied access to the Audit Committee.

### d) Code of Conduct:

The Company has laid down a Code of Conduct for the Directors and Senior Management Personnel of the Company. The code has been posted on the website of the Company. A declaration to the effect that the Directors, Senior Managerial personnel and employees have adhered to the same, signed by Mr. Mohit Prem Kumar Kaushik, Executive Director of the Company forms part of this Annual Report,

which along with the certificate from Auditors of the Company on compliance of Clause 49 of the Listing Agreement by the Company is annexed to this Annual Report.

### e) Disclosure of Accounting treatment:

In the preparation of the financial statement, the Company has followed accounting standards issued by Institute of the Chartered Accountants of India to the extent applicable.

### f) Disclosure of Risk management:

The Company has initiated the risk assessment and minimization procedure.

### g) CEO / CFO Certification:

A certificate from Mr. Mohit Kaushik, Executive Director on the financial statements of the Company for the year ended 31<sup>st</sup> March, 2015 was placed before the Board.

### h) Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the year ended 31<sup>st</sup> March, 2015 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

### i) Adoption of the mandatory and non-mandatory requirements of Clause 49:

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. The Company has adopted following non mandatory requirements of Clause 49 of the Listing Agreement.

a. Audit Qualification-The Company is in the regime of unqualified financial statements.

## 8. MEANS OF COMMUNICATION:

The Company's quarterly / half yearly/Annual results are published in newspapers viz. Asian Age (English) and Daily Sagar (Marathi). These results are displayed on the Company's website: www.kesarpetroproducts.com under Investor Relation Section. The Company has not made any presentations to any Institutional Investor or to the analysts during the year under review.

News Papers	Date of Board meeting
Business Standard and Daily Sagar	14 <sup>th</sup> May, 2014
	12 <sup>th</sup> August, 2014
	10 <sup>th</sup> November, 2014
	10 <sup>th</sup> February, 2015

New releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges, if any.

**Website:** The Company's website (www.kesarpetroproducts.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

## 9. GENERAL SHAREHOLDER INFORMATION:

**a. Annual General Meeting:** 29<sup>th</sup> day of September, 2015 at 11.00 a.m. at D-7/1, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra.

**b. Financial Year:** 1<sup>st</sup> April to March 31<sup>st</sup>

### c. Financial Calendar Year 2015-16:

Result for the quarter ending June, 2015	– by August 14, 2015
Result for the quarter ending September, 2015	– by November 14, 2015
Result for the quarter ending December, 2015	– by February 14, 2016
Audited Result for the year ending March, 2016	– by May 30, 2016.

**d. Date of Book closure:** 29<sup>th</sup> September, 2015

**e. Dividend Payment Date:** Credit / Dispatch between 10<sup>th</sup> October, 2015 to 15<sup>th</sup> October, 2015.

**f. Remote e-voting period**– The remote e-voting period begins on 26<sup>th</sup> September, 2015 (10:00 am) and ends on 28<sup>th</sup> September, 2015 (5:00 pm).

**g. Cut Off date:** The cut off date for remote e-voting and voting at AGM is 22<sup>nd</sup> September, 2015.

**h. Listing on Stock Exchange:** BSE Limited

**i. Stock Code:** BSE:524174

**j. Listing Fees:** The Company has paid the listing fees for the year 2015- 16 to the stock exchange where the shares are listed.

**k. Stock Market Price Data:**

The monthly high/low of market price of shares traded on the BSE Limited, Mumbai are as follows:

Month	Price of Share of the Company at BSE (Rs.)*		BSE Sensex (Points)*	
	High	Low	High	Low
April, 2014**	-	-	22,939.31	22,197.51
May, 2014**	-	-	25,375.63	22,277.04
June, 2014	6.25	4.06	25,725.12	24,270.20
July, 2014	12.04	6.56	26,300.17	24,892.00
August, 2014	16.78	12.28	26,674.38	25,232.82
September, 2014	25.31	17.11	27,354.99	26,220.49
October, 2014	35.60	25.80	27,894.32	25,910.77
November, 2014	49.30	36.30	28,832.37	27,739.56
December, 2014	75.50	50.25	28,809.64	26,469.42
January, 2015	111.25	77.00	29,844.16	26,776.12
February, 2015	146.20	113.40	29,560.32	28,044.49
March, 2015	122.40	61.80	30,024.74	27,248.45

\*Source:www.bseindia.com

\*\* The trading in Company's shares was under suspension w.e.f.2<sup>nd</sup> May, 2009 which was revoked on 16<sup>th</sup> June 2014.

**I. Share Transfer System:**

All shares sent or transferred in physical form are registered by the Registrar and Share Transfer Agent (RTA) within 15 days of the lodgment, if documents, are found in order, except delay in some cases. Shares under objection are returned within two weeks. All requests for dematerialization of shares processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 21 days.

**m. Category wise distribution of Equity shareholding as at 31<sup>st</sup> March, 2015:**

Category	No. of shares of Rs.10 each	Percentage (%)
<b>Promoters:</b>		
Individuals	3500001	48.16
<b>Public Shareholding:</b>		
Mutual Funds/UTI	779	0.01
Financial Institutions/Banks	163	0.00
Insurance Companies	267	0.00
Bodies Corporate	50550	0.70
Indian Public	3705456	50.99
Non Resident Indians	10101	0.14
<b>Total</b>	<b>72,67,317</b>	<b>100.00</b>

**n. Distribution of Shareholding as at 31<sup>st</sup> March, 2015:**

Shares having nominal value of Rs. From to	No. of holders	%	No. of shares	%
1 – 5000	27332	99.974	221134	3.043
5001 – 10000	1	0.004	10000	0.138
10001 – 20000	1	0.004	10457	0.144
20001 – 30000	1	0.004	25726	0.354
30001 – 40000	0	0.000	0	0.000
40001 – 50000	0	0.000	0	0.000
50001 – 100000	0	0.000	0	0.000
100001 and above	4	0.015	7000000	96.322
<b>Total</b>	<b>27339</b>	<b>100.000</b>	<b>7267317</b>	<b>100.000</b>

**o. Dematerialization of Shares:**

As on 31<sup>st</sup> March, 2015, 51.09% of the total shares of the Company were in dematerialized form.

**p. Convertible instruments:**

The Company has issued and allotted 24,00,0000 Convertible Warrants carrying an option / entitlement to subscribe to equivalent number of Equity Shares of Rs. 10/- (Rupees Ten) each at price of Rs. 59/- (Rupees Fifty Nine only) each including premium of Rs. 49/- (Rupees Forty Nine only) each on preferential basis on 7<sup>th</sup> February, 2015 and were pending for conversion as on 31<sup>st</sup> March, 2015.

Your Company has not issued any ADRs, GDRs, or any other convertible instruments during the financial year ended 31<sup>st</sup> March, 2015.

**q. Plant Location:** D-7/1,MIDC, LoteParshuram, TalukaKhed, District Ratnagiri, Maharashtra.

**r. Regd. Office & Address for Investors' Correspondence:**

**Kesar Petroproducts Limited,**

D-7/1,MIDC

Lote Parshuram,TalukaKhed,

Ratnagiri-415722

Phone : 02356-272339

Fax : 66924202

Email : info@kesarpetroproducts.com

Website: www.kesarpetroproducts.com

**M/s. System Support Services**

09,Shivai Industrial Estate, Near Parke Davis,

89,Andheri Kurla Road,Sakinaka,

Mumbai-400072.

Phone: (022) 28500835Fax : (022) 28501438

e-mail: syss72@yahoo.com

**10. COMPLIANCE CERTIFICATE BY AUDITORS:**

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49, which is annexed herewith and forming part of Annual Report.

**11. COMPLIANCE CERTIFICATE FOR CODE OF CONDUCT:**

The declaration by Executive Director affirming compliance of Board and Senior Management Personnel to the Code is also annexed herewith and forming part of Annual Report.

**Declaration – Code of Conduct**

As provided under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct during the year ended 31<sup>st</sup> March, 2015.

**For KesarPetroproducts Limited**

**Place: Mumbai**

**Date: 28<sup>th</sup> August, 2015**

**Mohit Kaushik**

**Executive Director**



## REMUNERATION POLICY OF KESAR PETROPRODUCTS LIMITED

### 1. PREFACE

This Remuneration policy of the Kesar Petroproducts Ltd. is formulated to determine the appointment of and remuneration payable to Directors, Key Managerial Personnel ('KMPs') and the Senior Management Personnel ('SMPs') of the Company.

### 2. COMMENCEMENT

This remuneration policy governs Policy relating to directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 commences on or after 1st April, 2014.

### 3. DEFINITIONS

For the purpose of this policy all terms shall have same meaning as defined under Companies Act, 2013.

### 4. PURPOSE

This policy is framed to attain following objectives:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

### 5. PRINCIPLES OF REMUNERATION

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified industry professionals for the Board of Management and other executive level in order to achieve the Company strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long term strategy. The policy is designed to encourage behavior that is focused on long-term value creation, while adopting the highest standards of good corporate governance. The policy is built on the following principles:

**i. Vision And Strategy-** Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.

**ii. Transparent** –The policy and its execution are clear and practical.

**iii. Aligned within the company's objectives** – The remuneration policy is aligned with the company's short term and long term objectives, compatible with those of management and other employees.

**iv. Long-term orientated** – The incentives focus on long-term value creation.

**v. Compliant** – Company adopts the highest standards of good corporate governance.

**vi. Simple** – The policy and its execution are as simple as possible and easily understandable to all stakeholders.

**vii. Internal equity-** The Company shall remunerate the board members, KMP and senior management in terms of their roles within the organisation. Positions shall be formally

evaluated to determine their relative weight in relation to other positions within the Company.

**viii. External equity-** The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.

**ix. Flexibility-** Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.

**x. Performance-Driven Remuneration-** The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.

**xi. Affordability and Sustainability-** The Company shall ensure that remuneration is affordable on a sustainable basis.

## 6. NOMINATION AND REMUNERATION COMMITTEE

**a. Composition-** The Remuneration Committee of the Board of Directors shall be re-named as Nomination and Remuneration Committee. Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.

**b. Responsibility & Duties-** The responsibility and duties of Nomination and Remuneration Committee are as follows:

i. Identifying persons who are qualified to

become directors and who may be appointed in senior management in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out evaluation of every director's performance.

ii. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other Employees.

iii. Formulating framework and/or policy for remuneration, terms of employment and any changes, including service contracts, remuneration, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;

iv. Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognized;

v. Formulating the policy to ensure that:

1. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

2. relationship of remuneration to performance is clear and meets appropriate performance benchmark; and

3. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

## 7. SELECTION AND APPOINTMENT OF THE BOARD MEMBERS

Nomination & Remuneration Committee shall evaluate the Board's Performance, ascertain their availability and make suitable recommendations to the Board. The Committee shall identify suitable candidates in the event of any vacancy being created on the Board on account of retirement, resignation or demise of any existing Board member. Based on the recommendations of the Committee, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member.

The Board then makes an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director will be appointed by the Board. In the evaluation of Board Members, the Nominations Committee will have regard to normally accepted nomination criteria, including:

- (a) honesty and integrity;
- (b) the ability to exercise sound business judgment;
- (c) appropriate experience and professional qualifications;
- (d) absence of conflicts of interest or other legal impediments to serving on the Board;
- (e) willingness to devote the required time; and
- (f) availability to attend Board and Committee meetings

## 8. PROCESS FOR EVALUATION

The Nomination & Remuneration Committee of the Board will be responsible for the evaluation of Board's and individual directors' performance.

## 9. PUBLICATION

The policy shall form part of Director's report to be issued by the Board of Directors in terms of Companies Act, 2013.

## **AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To

The Member of

**KESAR PETROPRODUCTS LIMITED**

Plots no-D- MIDC Industrial Estate

Lote Parskahuram, Taluka ,

District: Ratnagiri

Maharashtra

We have read the Report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of Corporate Governance by **KESAR PETROPRODUCTS LIMITED** ("The company") for the year ending March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was conducted in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and the implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and on the basis of our examination described above, the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For SAYEED KHAN & ASSOCIATES**

Chartered Accountants

(FRN:125227W)

**SAYEED KHAN**

Proprietor

M.No.117114

**Place: Mumbai**

**Date: 28<sup>th</sup> August, 2015**

## INDEPENDENT AUDITOR'S REPORT

To

The Members of

**KESAR PETROPRODUCTS LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **M/s. KESAR PETROPRODUCTS LIMITED**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015; ,
- b) in the case of the Statement of Profit and Loss, of the “Profit” for the year ended on that date; and
- c) in the case of Cash Flow Statement of the Cash Flows of the Company for the year ended on that date.

## Emphasis of matters

We draw attention to the following notes in Note 2 attached to the financial statements. Our opinion is not qualified in respect of these matters.

- i. Notes 2 (m) regarding Secured Loans from M/s. Invent Assets Reconstruction Company Limited and other matters as referred to thereunder.

## Report on other Legal and Regulatory Requirements

As required by the Companies (Auditors’ Report) Order, 2015 ( “the Order”) issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013. We give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as

required by law have been kept by the Company so far as appears from our examination of those books.

c) the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

## For SAYEED KHAN & ASSOCIATES

Chartered Accountants  
(FRN 125227W)

## SAYEED KHAN

Proprietor  
M.No.117114

Place: Mumbai

Date: 24<sup>th</sup> July, 2015

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015**

(Rs.)

Particulars	Note No.	As At 31.03.2015		As At 31.03.2014
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
(a) Share capital	1	72,673,170.00		72,673,170.00
(b) Reserves and surplus	2	346,170,704.00		21,771,347.00
(c) Money received against share warrants		35,402,000.00	<b>454,245,874.00</b>	-
<b>Share application money pending allotment</b>		-		-
<b>Non-current liabilities</b>				
(a) Long-term borrowings	3	53,728,539.00		50,401,049.00
(b) Deferred tax liabilities (Net)		1,008,323.00		1,153,323.00
(c) Other Long term liabilities		-		-
(d) Long-term provisions		-	<b>54,736,862.00</b>	-
<b>Current liabilities</b>				
(a) Short-term borrowings	4	18,000,000.00		10,300,483.00
(b) Trade Payables	5	346,615,133.00		376,547,509.00
(c) Other Current liabilities	6	80,640.00		76,140.00
(d) Short-term provisions	7	22,635,496.00	<b>387,331,269.00</b>	<b>390,171,394.00</b>
<b>TOTAL Rs.</b>			<b>896,314,005.00</b>	<b>536,170,283.00</b>
<b>ASSETS</b>				
<b>Non-Current assets</b>				
(a) Fixed assets				
(i) Tangible assets	8	369,496,754.00		98,204,933.00
(ii) Intangible assets		-		-
(iii) Capital Work-in-progress		-		-
(iv) Intangible assets under development		-		-
(b) Non-current investments		-		-
(c) Deferred tax assets (net)		-		-
(d) Long-term loans and advances	9	-		2,736,196.00
(e) Other non-current assets	10	454,304.00	<b>369,951,058.00</b>	567,880.00
<b>Current assets</b>				
(a) Current investments	11	-		475.00
(b) Inventories	12	43,509,356.00		13,252,271.00
(c) Trade receivables	13	157,862,082.00		163,583,616.00
(d) Cash and cash equivalents	14	32,455,982.00		86,162,835.00
(e) Short-term loans and advances	15	292,535,527.00	<b>526,362,947.00</b>	171,662,077.00
(f) Other current assets		-		-
<b>TOTAL Rs.</b>			<b>896,314,005.00</b>	<b>536,170,283.00</b>
Significant Accounting Policies	27			
Notes on Financial Statement	1 to 27			

The accompanying Notes are an integral part of the financial statements

**AS PER MY REPORT OF EVEN DATE**

For Sayeed Khan & Associates

**Chartered Accountant**

FRN: 125227W

**FOR KESAR PETROPRODUCTS LTD**

Sayeed Khan | Proprietor  
Membership No:117114  
Place: Mumbai  
Dated: 24<sup>th</sup> July, 2015

Anil Rajkotia  
Company Secretary

R.V. Srinivasan  
CFO

Sunil Sawant  
Director

Mohit Kaushik  
Executive Director



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(Rs.)

Particulars	Note No.		For the year ended 31.03.2015	For the year ended 31.03.2014
<b>INCOME:</b>				
Revenue from operations	16	1,457,712,144.00		1,533,278,927.00
Other Income	17	4,110,026.00		2,187,367.00
<b>Total Revenue Rs.</b>			<b>1,461,822,170.00</b>	<b>1,535,466,294.00</b>
<b>EXPENDITURE:</b>				
Cost of Materials Consumed		1,232,039,992.00		1,357,806,856.00
Purchase of Stock-in-Trade		-		-
Changes in inventories of Finished Goods,	18	(30,257,085.00)		18,681,910.00
Work-in-Process and Stock-in-Trade		-		-
Employee Benefits Expense	19	42,107,153.00		31,665,665.00
Finance Costs	20	850,519.00		67,006.00
Depreciation and Amortisation Expense		9,719,002.00		4,274,481.00
Other Expenses	21	141,327,555.00		102,118,257.00
<b>Total Expenses Rs.</b>			<b>1,395,787,136.00</b>	<b>1,514,614,175.00</b>
Profit Before Tax			66,035,034.00	20,852,119.00
<b>Tax Expenses:</b>				
Current tax		15,169,620.00		3,118,700.00
Deferred tax		145,000.00	15,024,620.00	1,153,323.00
<b>Profit for the year after tax</b>			<b>51,010,414.00</b>	<b>16,580,096.00</b>
Earnings per equity share Basic & Diluted			7.02	2.28
<b>Significant Accounting Policies &amp; Notes on Financial Statement</b>	<b>27</b>			

The accompanying Notes are an integral part of the financial statements

**AS PER MY REPORT OF EVEN DATE**

For Sayeed Khan & Associates

**Chartered Accountant**

FRN: 125227W

**FOR KESAR PETROPRODUCTS LTD**

**Sayeed Khan**

Proprietor

Membership No:117114

Place: Mumbai

Dated: 24<sup>th</sup> July, 2015

**Anil Rajkotia**  
Company Secretary

**R.V. Srinivasan**  
CFO

**Sunil Sawant**  
Director

**Mohit Kaushik**  
Executive Director



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

(Rs.)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit Before Tax and Extra Ordinary Items	66,035,034.00	20,852,119.00
<b>ADJUSTMENTS FOR :</b>		
Depreciation & Amortizations	9,719,002.00	4,274,481.00
Interests Paid	179,656.00	673,640.00
Other Non - Operating Income	(4,110,026.00)	
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>71,823,666.00</b>	<b>25,800,240.00</b>
<b>ADJUSTMENTS FOR:</b>		
(Increase)/Decrease in Current Assets	(145,408,526.00)	(267,667,129.00)
Increase/(Decrease) in Current Liabilities	(25,277,062.00)	242,695,915.00
(Increase)/Decrease in Net Current Assets	(170,685,588.00)	(24,971,214.00)
<b>Cash Generated From Operations</b>	<b>(98,861,922.00)</b>	<b>829,026.00</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(98,861,922.00)</b>	<b>829,026.00</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Additions to Fixed Assets	-	(22,645,212.00)
Increase/Decrease to Non- Current Assets	2,495,209.00	(4,006,402.00)
Interests Paid	(179,656.00)	(673,640.00)
Other Non - Operating Income	4,110,026.00	
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>6,425,579.00</b>	<b>(27,325,254.00)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Increase/(Decrease) in Share Capital		-
Increase/(Decrease) in Borrowings	3,327,490.00	-
Share Application money Received	35,402,000.00	
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>38,729,490.00</b>	<b>-</b>
<b>NET INCREASE/DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(53,706,853.00)</b>	<b>(26,496,228.00)</b>
<b>CASH &amp; CASH EQUIVALENTS (OPENING BALANCE)</b>	<b>86,162,835.00</b>	<b>112,659,063.00</b>
<b>CASH &amp; CASH EQUIVALENTS (CLOSING BALANCE)</b>	<b>32,455,982.00</b>	<b>86,162,835.00</b>

The accompanying Notes are an integral part of the financial statements

**AS PER MY REPORT OF EVEN DATE**

For Sayeed Khan & Associates

**Chartered Accountant**

FRN: 125227W

**Sayeed Khan**

Proprietor

Membership No:117114

Place: Mumbai

Dated: 24<sup>th</sup> July, 2015

**FOR KESAR PETROPRODUCTS LTD**

Anil Rajkotia  
Company Secretary

R.V. Srinivasan  
CFO

Sunil Sawant  
Director

Mohit Kaushik  
Executive Director



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS TO THE FINANCIAL STATEMENTS

### Significant accounting policies:

#### NOTE 27a:

Corporate information & history:

Kesar Petroproducts Limited is a Public Company incorporated on 01 January 1990 for manufacturing organic chemicals, Bisphenol-A and is an ongoing concern since then. The company is listed in the Bombay Stock Exchange Limited.

#### NOTE 27b:

##### (a) Basis of preparation of financial statements:

The accounts have been prepared on historical cost basis ignoring changes, if any, in the purchasing power of money and on accounting principles of going concern. All revenues and expenses are accounted on accrual basis. Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles.

##### (b) Use of estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision of accounting estimates is recognized prospectively in current and future period.

##### (c) Fixed Assets:

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses if any and net of Cenvat/ Value Added Tax. Cost includes all attributable expenses in bringing the assets to its working condition.

The Company has revalued Fixed Assets, for the year ended 31.03.2015. The Revaluation of the year ended 31.03.2015 has resulted into a Profit of Rs.280,656,260.05/- and the same has been credited to the Revaluation Reserve Account and shown in the Balance Sheet as at 31.03.2015 under the head, Reserves & Surplus.

##### (d) Impairment:

The carrying amount of asset is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

##### (e) Depreciation:

Depreciation on Fixed Assets has been provided based on the life assigned to each asset in accordance with the Schedule II of Companies Act, 2013 and based on internal technical evaluation, with effect from 01.04.2014.

##### (f) Investments:

Long term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long term investments are stated at the lower of cost and fair value.

##### (g) Inventories:

- i) Raw materials including consumables and stores & spares are valued at cost. The cost determined on the basis of FIFO method.
- ii) Work-in-process is valued at cost of materials and labour together with relevant factory overheads. The cost of work in progress is determined on the basis of weighted average method
- iii) The finished goods are valued at cost inclusive of excise duty (or) net realizable value whichever is less

**(h) Research and Development:**

Revenue expenditure on Research and Development is charged to the Profit and Loss Account and Capital Expenditure is added to the cost of fixed assets.

**(i) Taxation:****1. Current Tax:**

Provision for taxation has been made on assessable profits of the Company as determined Under the Income Tax Act, 1961.

**2. Deferred Tax:**

In terms of AS.22, the deferred tax for timing differences between the book and tax profit arising out of capital expenditure on research and development, depreciation and provisions for the year is accounted by using the tax rates and laws that have been in force as of the Balance Sheet date.

	2014-15		2013-14	
	Rs.		Rs.	
Deferred Tax Liability (Opening)		11,53,323		Nil
<b>Less:</b> Deferred Tax Asset for the year:				
Depreciation as per Companies Act	97,19,002		41,60,905	
Depreciation as per IT Act	92,36,013	4,83,989	78,93,342	-37,32,437
Deferred rate of tax @ 30.9%		1,45,000		11,53,323
Deferred tax liability		10,08,323		11,53,323

**(j) Foreign Currency Transactions:**

a) Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of the transaction.

b) Monetary items (i.e. receivables, payables, loans, etc.) denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

c) The exchange difference arising on the settlement of monetary items on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognized as income/expense in the period in which they arise.

	2014-15	2013-14
	Rs.	Rs.
CIF value of imported Goods	7,24,93,361	8,31,00,000
Expenditure in Foreign Currency	Nil	Nil
Payments of Dividend on Equity Shares in Foreign Currency	Nil	Nil
Earnings in Foreign Currency (FOB)	3,50,16,257	5,56,54,667

**(k) Revenue Recognition:**

- i. Revenue in respect of sale of products is recognized at the point of dispatch to customers.
- ii. Sales comprise of value of sale of goods (Net of returns) excluding Sales Tax and Excise Duty.
- iii. Revenue in respect of investments is recognized as and when these incomes are ascertained and quantified.
- iv. Income from Services is recognized as and when the services are rendered.
- v. Export benefits are recognized in the profit and loss account when the right to receive credit as per the terms of the entitlement is established in respect of exports made.
- vi. Dividend income is recognized when the right to receive dividend is established.
- vii. Lease income under operating lease is recognized in Profit and Loss Account on the basis of accrual of income as per terms of the agreement.

**(l) Earnings Per Share (EPS):**

The basic EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti dilutive.

Computation of Basic & Diluted EPS	2014-15 Rs.	Year Ended 31st March 2013-14 Rs
a. Profit/(Loss) after tax as per P&L Account	5,10,10,414	1,65,80,096
b. Number of Equity Shares of Rs. 10/- each	72,67,317	72,67,317
c. Basic EPS	7.02	2.28
d. Diluted EPS	5.28	2.28
e. Face Value per Equity Shares	10	10

**(m) Secured Loans:**

- a. Loans from Financial Institutions assigned to the New Promoters are secured by equitable mortgage of immovable assets (excluding Housing Colony), hypothecation of all the company's moveable assets, (except Book Debts), both present & future, personal guarantees of the then Managing Director and a charge upon the assets of the company as per the Deeds of Assignment duly entered into by the company which exceed over Rs. 6500.00 Lacs in favour of the Secured Lenders per se.
- b. Other Secured Loans from M/s. Malvika Harbopharma (P) Ltd are secured by a 1st charge upon all the Fixed Assets including the Housing Colony.
- c. Loans from M/s. Invent Assets Reconstruction Company Limited are secured by a 2nd charge upon all the Fixed Assets.

M/s. Invent Assets Reconstruction Company Limited (IARCL) has initiated recovery procedure under the provisions of the Securitization & Reconstruction Of Financial Assets & Enforcement Of Security Interest Act, 2002 wherein it has taken possession of the Residential Colony located at Lote, Ratnagiri. The possession by IARCL has been in consultation with the 1st charge holders M/s. Malvika Harbopharma Private Limited who retain the say in all the settlement of dues of the said loans.

(n) Disclosure regarding parties and transactions as required by AS - 18 issued by the Institute of Chartered Accountants of India are as under:-

#### A. NAME OF RELATED PARTY AND THEIR RELATIONSHIP

a. Associate Company	Nil
b. Directors	i) Shri Nazirsaheb M. Sayyed
	ii) Shri. Mohit Kaushik
	iii) Shri Sunil Sawant
	iv) Smt. Snehlata Sharma
c. Relatives of Key Managerial Personnel	Nil

#### B. TRANSACTIONS WITH RELATED PARTY:

The company has not entered into any transactions with related party within the meaning of Accounting Standard 18 "Related Parties Disclosure".

#### (o) Provisions, contingent liabilities and contingent assets:

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Details of Contingent Liabilities	2015	2014
	Rs.	Rs.
a. Guarantee given by the Company's Bankers and Counter guaranteed by the Company	Nil	Nil
b. Claims against the company not acknowledged as Debts	Nil	Nil
c. Interest and Penalties under Employees PF & Misc Provisions Act, 1952	Nil	3,64,000
e. Income Tax demand under appeal	Nil	2,00,29,000

#### (p) Segment Reporting:

Based on the guiding principles given in Accounting Standards on "Segment Reporting (AS-17) issued by the ICAI and on the basis of Management Certification, the Company's primary business segment is Chemicals. As the Company's business activity falls within a single primary business segment, the disclosure requirements of AS-17 in this regard does not arise.

**(q) Cash and Cash Equivalents:**

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(r) The company has opted for Deferral Scheme of Sales Tax liability w.e.f. 01/07/2003. Accordingly the sales tax liability of Rs. 31,19,762 (PY Rs. 31,19,762) shall be repayable after nine years in five equal annual installments.

(s) The figures of the previous years have been regrouped/rearranged wherever necessary and the figures are rounded off to the nearest rupee.

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015:

Rs.

Note	Particulars		31.03.2015		31.03.2014
1	<b>SHARE CAPITAL :</b>				
	AUTHORISED SHARE CAPITAL:				
	35000000 Equity shares of Rs. 10/- each.		350,000,000.00		350,000,000.00
	(Previous Year 35000000 Equity shares of Rs.10/- each)				
	<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>				
	7267317 Equity Shares of Rs. 10/- Each				
	Fully paid up ( Previous Year 7267317 Equity Shares of Rs.10/- Each Fully Paid up)	72,673,170.00	72,673,170.00	72,673,170.00	72,673,170.00
	Total Rs.		<b>72,673,170.00</b>		<b>72,673,170.00</b>
2	<b>RESERVES AND SURPLUS</b>				
	Capital Subsidy from SICOM		3,000,000.00		3,000,000.00
	<b>Profit &amp; Loss Account</b>				
	As per last Balance Sheet	18,771,347.00		2,191,250.00	
	Add/(Less): Deferred Tax Assets/Liabilities	145,000.00		(1,153,323.00)	
		18,916,347.00		1,037,927.00	
	Less:Under Provision for Taxation	(13,682,000.00)		(3,118,700.00)	
		5,234,347.00		(2,080,773.00)	
	Add: Profit for the year	66,035,034.00		20,852,120.00	
		71,269,381.00		18,771,347.00	
	Less: Dividend & Dividend Distribution Tax	(8,754,937.00)	62,514,444.00	-	18,771,347.00
	<b>Revaluation Reserves</b>		280,656,260.00		
	Total Rs.		<b>346,170,704.00</b>		<b>21,771,347.00</b>
3	<b>LONG TERM BORROWING</b>				
	SECURED LOANS				
	Other Loans & Advances				
	a) Canara Bank	-		1,415,000.00	
	b) Other Secured Loans	41,133,106.00		39,104,037.00	
	UNSECURED LOANS				
	Other Loans & Advances				
	a) External Commercial borrowing	-		6,762,250.00	
	b) Others	12,595,433.00	53,728,539.00	3,119,762.00	50,401,049.00
	Total Rs.		<b>53,728,539.00</b>		<b>50,401,049.00</b>
4	<b>SHORT TERM BORROWINGS</b>				
	<b>Secured</b>				
	<b>Working Capital Loan</b>				
	<b>From Bank</b>	18,000,000.00		10,300,483.00	-
	Secured Loan against FDR			-	
	<b>Unsecured</b>				
	<b>From Others</b>				
	Loans Repayable on demand	-	18,000,000.00	-	10,300,483.00
	Total Rs.		<b>18,000,000.00</b>		<b>10,300,483.00</b>

Rs.

Note	Particulars	31.03.2015		31.03.2014	
<b>5</b>	<b>TRADE PAYABLES</b>				
	Micro, Small and Medium Enterprises	-		-	
	Others	346,615,133.00	346,615,133.00	376,547,509.00	376,547,509.00
	Total Rs.		<b>346,615,133.00</b>		<b>376,547,509.00</b>
<b>6</b>	<b>OTHER CURRENT LIABILITIES</b>				
	Creditors for Expenses	-		-	
	Advance from Customer	-		-	
	Other Payable	80,640.00	80,640.00	76,140.00	76,140.00
	Total Rs.		<b>80,640.00</b>		<b>76,140.00</b>
<b>7</b>	<b>SHORT TERM PROVISIONS</b>				
	Proposed dividend	7,267,317		-	
	Provision for Income Tax	13,682,000.00		3,247,262.00	
	Dividend Distribution Tax	1,487,620.00		-	
	TDS Payable	198,559.00	22,635,496.00	-	3,247,262.00
	Total Rs.		<b>22,635,496.00</b>		<b>3,247,262.00</b>
<b>9</b>	<b>LONG TERM LOANS AND ADVANCES</b>				
	Advance Income tax	-		241,061.00	
	Balance with Government Authorities	-	-	2,495,135.00	2,736,196.00
	Total Rs.		-		<b>2,736,196.00</b>
<b>10</b>	<b>OTHER NON CURRENT ASSETS</b>				
	Unamortized Expenses	454,304.00	454,304.00	567,880.00	567,880.00
	Total Rs.		<b>454,304.00</b>		<b>567,880.00</b>
<b>11</b>	<b>CURRENT INVESTMENT</b>				
	Others Current Investment	-	-	475.00	475.00
	Total Rs.		-		<b>475.00</b>
<b>12</b>	<b>INVENTORIES</b>				
	(As per inventory certified & valued by the management)				
	Raw Materials	42,948,492.00		12,599,597.00	
	Stores & Spares	560,864.00	43,509,356.00	652,674.00	13,252,271.00
	Total Rs.		<b>43,509,356.00</b>		<b>13,252,271.00</b>
<b>13</b>	<b>TRADE RECEIVABLES</b>				
	Outstanding for more than 6 months				
	from the due date	6,974,520.00		-	
	Outstanding for less than 6 months				
	from the due date	150,887,562.00	157,862,082.00	163,583,616.00	163,583,616.00
	Total Rs.		<b>157,862,082.00</b>		<b>163,583,616.00</b>



Rs.

Particulars		31.03.2015		31.03.2014
<b>14</b>	<b>CASH AND CASH EQUIVALENTS</b>			
	Balance with Banks in Current Accounts:	30,768,399.00		82,675,994.00
	Cash on Hand	1,687,583.00	32,455,982.00	3,486,841.00
	Total Rs.		<b>32,455,982.00</b>	<b>86,162,835.00</b>
<b>15</b>	<b>SHORT TERM LOANS AND ADVANCES</b>			
	Others Loans & Advances Recoverable	292,535,527.00	292,535,527.00	171,662,077.00
	Total Rs.		<b>292,535,527.00</b>	<b>171,662,077.00</b>
<b>16</b>	<b>REVENUE FROM OPERATIONS</b>			
	Sale of products	1,457,712,144.00		1,531,560,585.00
	Other Operating Revenues	-	1,457,712,144.00	1,718,342.00
	Total Rs.		<b>1,457,712,144.00</b>	<b>1,533,278,927.00</b>
<b>16.1</b>	<b>PARTICULARS OF SALE OF PRODUCTS</b>			
	Particulars			
	<b>Local Sales (A)</b>	1,422,695,887.00		1,475,905,918.00
	<b>Exports sales (B)</b>	35,016,257.00	1,457,712,144.00	55,654,667.00
	Total Rs. <b>(A)+(B)</b>		<b>1,457,712,144.00</b>	<b>1,531,560,585.00</b>
<b>17</b>	<b>OTHER INCOME</b>			
	Discount Recd	1,209,060.00		740,641.00
	Rental Incomes from Lease	72,576.00		285,276.00
	Interest Recd	2,034,692.00		1,161,450.00
	Duty Drawback	793,698.00	4,110,026.00	-
	Total Rs.		<b>4,110,026.00</b>	<b>2,187,367.00</b>
<b>18</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE</b>			
	Opening Balance	13,252,271.00		31,934,181.00
	Less : Closing Stock	(43,509,356.00)	(30,257,085.00)	(13,252,271.00)
	Total Rs.		<b>(30,257,085.00)</b>	<b>18,681,910.00</b>
<b>19</b>	<b>EMPLOYEES BENEFITS EXPENSE</b>			
	Salaries & Wages	41,667,302.00		31,337,455.00
	Staff Welfare	439,851.00	42,107,153.00	328,210.00
	Total Rs.		<b>42,107,153.00</b>	<b>31,665,665.00</b>
<b>20</b>	<b>FINANCE COST</b>			
	Bank Charges	670,863.00		67,006.00
	Bank Interest	179,656.00	850,519.00	67,006.00
	Total Rs.		<b>850,519.00</b>	<b>67,006.00</b>

Rs.

Note	Particulars		31.03.2015		31.03.2014
<b>21</b>	<b>OTHER EXPENSES</b>				
	Discount Allowed	10,018,603.00		1,309,568.00	
	Electricity & Water	41,982,664.00		35,828,314.00	
	Stores & Spares, Other Factory Expenses	13,538,631.00		28,322,699.00	
	Repairs & Maintenance:	5,377,422.00		4,268,924.00	
	Fees, Subscriptions & Rates	5,167,722.00		1,251,115.00	
	Insurance	3,743,126.00		985,061.00	
	Interest On delayed payments	6,921.00		606,634.00	
	Printing & Stationery	-		160,719.00	
	Postage, Telephone & Telex	2,714.00		432,879.00	
	Travelling & Conveyance	1,458,178.00		1,163,747.00	
	Advertisement & Publicity	-		732,756.00	
	Legal & Professional Charges	5,992,311.00		2,159,334.00	
	Auditors Remuneration	60,000.00		35,000.00	
	Transport & Handling	13,826,445.00		21,464,272.00	
	Commissions Paid	818,603.00		2,628,126.00	
	Office Expenses	8,653,010.00		769,109.00	
	Exchange rate Fluctuation	54,439.00		-	
	Labour Charges	1,318,491.00		-	
	Security Charges	8,978.00		-	
	Licensing Fees	2,041,910.00		-	
	Selling & Distribution Costs	2,522,139.00		-	
	Directors Fees	750.00		-	
	Exhibition Charges	778,750.00		-	
	Miscellaneous Expenses W/off	18,178,996.00		-	
	Registration Fees	132,800.00		-	
	AMC Charges	157,745.00		-	
	Computer Expenses	69,450.00		-	
	Petrol & Diesel Exp	2,069,802.00		-	
	Donation	1,338,601.00		-	
	Guest House Expenses	1,444,799.00		-	
	Motor Car Exps	340,653.00		-	
	Preliminary Expenses W/off	113,576.00		-	
	Service Charges	57,950.00		-	
	Tea & Food Exp.	51,376.00	141,327,555.00	-	102,118,257.00
	TOTAL Rs.		<b>141,327,555.00</b>		<b>102,118,257.00</b>

Credit and Debit Balances of parties are subjected to confirmation.

In the opinion of the Board, the current assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

In compliance with the Accounting Standard 22 (AS-22) on Accounting for taxes on Income issued by the "Institute of Chartered Accountants of India" the company has provided Rs.145000/- towards Deferred Tax Assets for the current year and credited to Profit & Loss Account.

Rs.

Particulars		31.03.2015	31.03.2014
<b>22</b>	<b>PAYMENT TO AUDITORS AS:</b>		
	Statutory Audit Fees	-	-
	Tax Audit Fees	35,000.00	35,000.00
	Vat Audit Fees	-	-
	Company Law Matter	-	-
	Other Services	25,000.00	
	<b>Total</b>	<b>Rs. 60,000.00</b>	<b>35,000.00</b>
<b>23</b>	<b>VALUE OF IMPORTS ON CIF BASIS</b>	Rs. 72,493,361.00	83,100,000.00
<b>24</b>	<b>EXPENDITURE IN FOREIGN CURRENCY</b>	-	-
<b>25</b>	<b>EARNINGS IN FOREIGN EXCHANGE</b>	Rs. 86,346,257.00	55,654,667.00
<b>26</b>	<b>EARNING PER SHARE(EPS)</b>		
	Basic EPS	Rs. 7.02	2.28
	Diluted EPS	Rs. 5.28	2.28
	Face Value per equity share	Rs. 10.00	10.00

**AS PER MY REPORT OF EVEN DATE**

For Sayeed Khan &amp; Associates

**Chartered Accountant**

Firm regn No:125227W

**FOR KESAR PETROPRODUCTS LTD****Sayeed Khan**

Proprietor

Membership No:117114

Place: Mumbai

Dated: 24<sup>th</sup> July, 2015Anil Rajkotia  
Company SecretaryR.V. Srinivasan  
CFOSunil Sawant  
DirectorMohit Kaushik  
Executive Director

Note 8 - TANGIBLE FIXED ASSETS (AT COST) AS AT 31ST MARCH 2015												Rs.			
PARTICULARS	GROSS BLOCK						ACCUMULATED DEPRECIATION						NET BLOCK		
	RATE %	COST AS AT 01-04-2014	ADDITIONS/ TRANSFERS/ REVALUATIONS	DEDUCTIONS/ TRANSFERS	BALANCE COST AS AT 31-03-2015	UPTO 01-04-2014	FOR THE YEAR	DEDUCTION ON DISPOSALS	UPTO 31-03-2014	AS ON 31-03-2014	AS ON 31-03-2014	AS ON 31-03-2015			
Land (Leasehold)		1,151,000.00	153,557,800.00	-	154,708,800.00	13,014.00	-	-	13,014.00	154,695,786.00		1,137,986.00			
Buildings - Plant	3.17%	9,634,160.00	88,109,640.00	-	97,743,800.00	1,771,320.00	3,042,328.00	-	4,813,648.00	92,930,152.00		7,862,840.00			
Buildings - Non Plant	1.58%	13,719,590.00	18,457,030.00	-	32,176,620.00	1,216,759.00	489,166.00	-	1,705,925.00	30,470,695.00		12,502,831.00			
Plant & Machinery	6.33%	94,468,210.00	20,531,790.00	-	115,000,000.00	18,306,985.00	6,120,668.00	-	24,427,653.00	90,572,347.00		76,161,225.00			
Furnitures & Fixtures	9.50%	408,254.00	-	-	408,254.00	84,039.00	30,800.00	-	114,839.00	293,415.00		324,215.00			
Factory & Office Equipments	6.33%	264,349.00	-	-	264,349.00	226,428.00	2,400.00	-	228,828.00	35,521.00		37,921.00			
Vehicles	11.88%	315,669.00	354,563.00	-	670,232.00	148,454.00	30,251.00	-	178,705.00	491,527.00		167,215.00			
Computer Systems	31.67%	26,750.00	-	-	26,750.00	16,050.00	3,389.00	-	19,439.00	7,311.00		10,700.00			
Capital Work in Progress		-	-	-	-	-	-	-	-	-		-			
TOTAL Rs.		119,987,982.00	281,010,823.00	-	400,998,805.00	21,783,049.00	9,719,002.00	-	31,502,051.00	369,496,754.00		98,204,933.00			

**KESAR PETROPRODUCTS LIMITED**

(CIN: L23209PN1990PLC054829)

Registered Office: D-7/1, MIDC, Lote Parshuram, Taluka - Khed, District Ratnagiri – 415722, Maharashtra,  
Phone No. 02356-272339 | Email Id: info@kesarpetroproducts.com | Website: www.kesarpetroproducts.com

**FORM MGT-11 - PROXY FORM**

(Pursuant to section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management & Administration) Rules, 2014)

Name of the Member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

Email Id: \_\_\_\_\_

Folio Id/Client DP Id: \_\_\_\_\_

I/We being the member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

(1) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email Id: \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him/her;

(2) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email Id: \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him/her;

(3) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email Id: \_\_\_\_\_

Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on/our behalf at the 25<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, 29<sup>th</sup> September, 2015 at 11.00 a.m. at the Registered office of the Company at D-7/1, MIDC, Lote Parshuram, Taluka - Khed, District Ratnagiri – 415722 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions	For	Against
1.	To receive, consider and adopt Audited Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2015 together with the reports of the Board of Directors' and Auditors' thereon.		
2.	Declaration of final dividend on equity shares for the year ended 31 <sup>st</sup> March, 2015..		
3.	Appointment of Mr. Mohit Kaushik (DIN: 06463483), who retires by rotation and being eligible, offer himself for re-appointment.		
4.	Appointment of Statutory Auditors of the Company and fixing their remuneration.		
5.	Appointment of Mrs. Snehalata Sharma as a Director of the Company.		
6.	Approval of remuneration payable to Mr. Mohit Kaushik, Executive Director of the Company.		
7.	Approval for Sub-division of existing Equity Share having face value of Rs.10/- each fully paid up into 10 equity shares of Re.1/- each fully paid.		
8.	Alteration of Capital Clause V of Memorandum of Association of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**Signature of Shareholder**

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**KESAR PETROPRODUCTS LIMITED**

(CIN: L23209PN1990PLC054829)

Registered Office: D-7/1, MIDC, Lote Parshuram, Taluka - Khed, District Ratnagiri – 415722, Maharashtra,  
Phone No. 02356-272339 | Email Id: info@kesarpetroproducts.com | Website: www.kesarpetroproducts.com

**ATTENDANCE SLIP**

<b>Regd. Folio No.</b>	
<b>DPID / Client ID</b>	
<b>No. of share(s) held</b>	

I, \_\_\_\_\_ (name of the attending Member/Proxy/Representative) (IN BLOCK LETTERS) , hereby record my/our presence at the 25<sup>th</sup> Annual General Meeting of the KESAR PETROPRODUCTS LIMITED to be held on the Tuesday ,29<sup>th</sup> September,, 2015 at 11.00 a.m. at the Registered office of the Company at D-7/1, MIDC, Lote Parshuram, Taluka - Khed, District Ratnagiri – 415722.

\_\_\_\_\_  
**Signature of the Member's/Proxy's**

**Note:**

1. Interested Joint Members may obtain attendance slips from the Registered Office of the Company.
2. Members' / Joint Members' Proxies are requested to bring the attendance slips with them. Duplicate slips will not be issued at the venue.

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**KESAR PETROPRODUCTS LIMITED**

(CIN: L23209PN1990PLC054829)

Registered Office: D-7/1, MIDC, Lote Parshuram, Taluka - Khed, District Ratnagiri – 415722, Maharashtra,  
Phone No. 02356-272339 | Email Id: info@kesarpetroproducts.com | Website: www.kesarpetroproducts.com

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**FOR KIND ATTENTION OF SHAREHOLDERS**

Dear Shareholders,

As per the provisions of Section 88 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the Company needs to update its 'Register of Members' to incorporate certain new details, as required under the said provisions. Further, as per the "Green Initiative in the Corporate Governance" initiated by the Ministry of Corporate Affairs (MCA), vide its Circular No. 17/2011 dated 21/04/2011, the Company proposes to send all the notices, documents including Annual Report in electronic form to its members.

We, therefore request you to furnish the following details for updation of Register of Members and enable the Company to send all communication to you through electronic mode:

Folio No	
Name of the Shareholder	
Father's/Mother's/Spouse's Name	
Address (Registered Office Address in case the Member is a Body Corporate)	
E-mail ID	
PAN or CIN	
UIN (Aadhar Number)	
Occupation	
Residential Status	
Nationality	
In case member is a minor, name of the guardian	
Date of birth of the Member	

\_\_\_\_\_  
**Signature of the Member**

**Place:** \_\_\_\_\_

**Date:** \_\_\_\_\_

Kindly submit the above details duly filled in and signed at the appropriate place to the Registrar & Share Transfer Agent of the Company viz. "System Support Services", 209, Shivai Industrial Estate, 89, Andheri- Kurla Road, Sakinaka, Andheri (East), Mumbai-400072.

The E-mail ID provided shall be updated subject to successful verification of your signature. The members may receive Annual Reports in physical form free of cost by post by making request for the same.

Thanking you,

**For Kesar Petroproducts Limited**

**Mohit Kaushik**  
**Executive Director**

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# ***WHO WE ARE?***

Started as a small endeavour to make a big change in the pigment industry, Kesar Petroproducts Ltd. began its journey in 2010 into its fold. Today, we are the leading manufacturers of Phthalocyanine Blue Crude and its downstream products in India and contribute upto 15% of the entire Copper Phthalocyanine market of India. The company has a global presence in 15 countries.

The production capacity of Kesar Petroproducts in Copper Phthalocyanine Blue Crude is 1500 metric tons per month, in Alpha Blue is 200 metric tons per month and in Pigment Green 7 is 50 metric tons per month. By July 2015, we also plan to expand their operations in the Beta Blue market with a production capacity of 250 metric tons per month. This rapidly growth production capacity makes us one of the most progressive players in the industry.

Kesar Petroproducts Ltd. has a strong team with sound and expert knowledge of the industry. The team is highly skilled in R&D and actively involved in the business administration of Kesar Petroproducts.

The company aims at providing a seamless integration of quality and schedule by ensuring timely deliveries, state-of-the-art manufacturing products, new age technology, constant innovation and economic viability. They have built strong relationships with their suppliers as well as their clients and want to focus on learning through their wide range of experiences to improve their services.

**THE TRANSFORMATION OF KESAR PETRO PRODUCTS LTD HAS BEEN GRADUAL AND STEADY FROM A COMMODITIES COMPANY DEALING MAINLY IN CHEMICALS TO A PROVIDER OF HOLISTIC SOLUTIONS IN THE GLOBAL CHEMICALS SECTOR.**

**THIS TRANSFORMATION WAS ACHIEVED THROUGH CONSISTENT FOCUS ON BUILDING CUSTOMER CENTRICITY, GROWING BRAND EQUITY, DEVELOPING INNOVATIVE SOLUTIONS AND SUCCESSFUL EXECUTION OF EXPANSION AND GROWTH STRATEGIES.**



**REGISTERED OFFICE:**

D 7/1, MIDC Industrial Area,  
Lote Parshuram, Taluka Khed, District Ratnagiri,  
Maharashtra India