



KANCHI KARPOORAM LIMITED

**TWENTY FIRST
ANNUAL REPORT
2013 - 2014**



E-Mail Registration

To

M/s. Cameo Corporate Services Ltd. "Subramanian Building"
No.1, Club House Road
Chennai - 600 002.
E-Mail Id: investor@cameoindia.com

Dear Sir / Madam,

Sub: Registration of E-mail ID for receiving communications in electronic form.

I am a Shareholder of the Company; I want to receive all communications from the Company including AGM and General Meeting notices and explanatory statement(s) thereto. Balance Sheets, Director's Report, Auditor's Report etc., through e-mail. Please register my e-mail ID set – up below in your record for sending communication through e-mail:

Folio No.* _____

Name of the 1st Registered Holder * _____

Name of the Joint Holder(s) _____

Address * _____

Pin Code* _____

E-Mail ID * _____

Contact Tel. No* _____ Mobile _____

Landline _____

Date _____ Signature of 1st Holder _____

Important Notes:

- a. Field marked* are mandatory for registration of the e-mail ID
- b. On registration, all the communication will be sent to the e-mail ID registered in folio.
- c. Any change in e-mail ID may please be registered in the records of the Company.



KANCHI KARPOORAM LIMITED

BOARD OF DIRECTORS

Shri.Suresh Shah
Shri.Dipesh S Jain
Shri.Arun V Shah
Shri.S.Srinivasan
Shri Na Raghu
Shri K.Venkateswaran

AUDITORS

M/s. R.Subramanian and Company
Chartered Accountants
No.6, Krishnaswamy Avenue,
Luz, Mylapore, Chennai - 600 004.

BANKERS

Bank of India,
Chennai Overseas Branch,
"Star House" III Floor,
30(Old No.17), Errabalu Street,
Chennai – 600 001.

REGISTERED OFFICE OF THE COMPANY AND FACTORY

Parandur Road, Enathur Village,
Karaipettai Post,
Kanchipuram - 631 552. Tamil Nadu

REGISTRAR AND SHARE TRANSFER AGENT

M/s.Cameo Corporate Services Ltd.
"Subramanian Building"
No.1, Club House Road,
Chennai - 600 002.
E-Mail Id: investor@cameoindia.com



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**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the **21st Annual General Meeting** of the Members of Kanchi Karpooram Limited will be held on Wednesday, the 10th day of September 2014, at 11.00 A.M. at M.M.Hotels, 65/66, Nellukara Street, Kanchipuram -631502 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014 including the Audited Balance Sheet as at March 31, 2014 and the Statement of Profit & Loss for the year ended March 31, 2014 and the Reports of the Board of Directors and Auditors thereon
2. To declare dividend on the equity shares for the financial year ended 31st March, 2014.
3. To appoint Director in the place of Shri.Arun V Shah (DIN: 01744884) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provision of section 139, 142, and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s.R.Subramanian and Co, Chartered Accountants, (Registration No.FRN 004137S) be and is hereby re-appointed as the statutory Auditor of the Company to hold office for a period of 3 years from the conclusion of this Annual General meeting to, till the conclusion of 24th Annual General Meeting of the Company subject to ratification of the appointment by the shareholders at every Annual General Meeting held after this AGM on a remuneration to be decided by a Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

Special Business

5. To appoint Shri.Narasimhan Raghu (holding DIN: 06736497) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 149, 152 read with Schedule IV and all other applicable provisions of the companies Act, 2013 and the companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri.Narasimhan Raghu (holding DIN: 06736497), who was appointed as an Additional Director (a non-executive)pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member along with the prescribed deposit, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from 01st day of September 2014 up to August 31, 2019.”

6. To appoint Shri.K.Venkateswaran (holding DIN: 00001899) as an Independent Director and in this regard to consider and if thought fit to pass with or without modification(s), following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 149, 152 read with Schedule IV and all other applicable provisions of the companies Act, 2013 and the companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri.K.Venkateswaran (holding DIN: 00001899), who was appointed as an Additional Director (a non-executive)pursuant to the provisions of Section 161(1) of the



Companies Act, 2013 and the Articles of Association of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member along with the prescribed deposit, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from 01st day of September 2014 up to August 31, 2019.”

7. To appoint Shri.S.Srinivasan (holding DIN: 05185901) as an Independent Director and in this regard To consider and if thought fit to pass with or without modification(s), following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 149, 152 read with Schedule IV and all other applicable provisions of the companies Act, 2013 and the companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri.S.Srinivasan (holding DIN: 05185901), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from 01st day of September 2014 up to August 31, 2019.”

8. To re-appoint Shri.Arun V Shah (DIN: 01744884) as a Whole Time Director and in this regard to consider and if thought fit to pass with or without modification(s), following resolution as a **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Section 188, 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri.Arun V Shah (DIN: 01744884) who is a relative (brother) of Mr.Suresh Shah, Managing Director of the Company and who has been appointed as Whole-time Director of the company by the Board of Director at the meeting held on February 28, 2014 for a period up to the ensuing Annual General Meeting with effect from March 01, 2014, be and is hereby re-appointed as Whole-time Director of the Company, for a period of 5 (Five) years, on the terms and conditions including remuneration as per the details given herein below, with effect from 10th September, 2014:-

I. Overall Remuneration

The aggregate of salary, allowances and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Whole Time Director from time to time, shall not exceed the limits prescribed from time to time under Sections 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being, be in force

II. Minimum Remuneration

Notwithstanding the foregoing, where in any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT during the tenure as the Whole-time Director Shri.Arun V Shah, shall be entitled to be paid / re-imbursed by the Company all costs, charges and expenses as may be incurred by him for the purpose of or on behalf of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company / Nomination and Remuneration Committee of the Company be and is hereby authorized to decide the annual increments payable to him on yearly basis not exceeding 25% of the aforementioned remuneration and also authorised as and when it may determine and deem fit and proper to revise the aforesaid remuneration.



9. To appoint Mrs.Pushpa S Jain (holding DIN: 06939054) as Woman Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of section 149, 188 of the Companies Act, 2013 read with Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs.Pushpa S Jain (holding DIN: 06939054), relative (Wife) of Mr.Suresh Shah, Managing Director of the Company and eligible for re-appointment in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member along with the requisite deposit, proposing her candidature for the office of Director, be and is hereby appointed as a Woman Non-Executive Director of the Company who is liable to retire by rotation"

10. To borrow money and in this regard to consider and if thought fit, to pass with or without modification(s), following resolution as a **Special Resolution**

RESOLVED THAT in supersession of the Ordinary Resolution approved at the Extra Ordinary General Meeting held on 01st February 1995, and pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to borrow from time to time in one or more tranches, for the purpose of the Company's business, such sum or sums of money, as they in their absolute discretion think fit, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remain outstanding in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs.60 crores (Rupees Sixty Crores Only).

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorised to do or cause to be done all such acts, matters, deeds and other things as it may in its absolute discretion deem fit, required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

11. To charge on assets of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), following resolution as a **Special Resolution**

RESOLVED THAT in supersession of the Ordinary Resolution approved at the Extra Ordinary General Meeting held on 01st February 1995, and pursuant to the provisions of Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, the consent of the Company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), for mortgaging / charging all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s) to secure the loans / borrowings obtained or as may be obtained, in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs.60 crores (Rupees Sixty Crores Only) at any one time."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."



12. To approve Related Party Transactions and in this regard to consider and if thought fit, to pass with or without modification(s), following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Meeting of Board and its powers) Rules 2014 and read with Clause 49 (VII) of the Listing Agreements entered into with the Stock Exchanges(s) and subject to such approvals, consents, sanctions and permission as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to enter into contracts and/or agreements with related parties as defined under the Act with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind, availing or rendering of any services or any other transaction of the nature specified under section 188(1) clause (a) to (g) with M/s Suresh Industries or with any other related parties as define under section 2(76) of the companies Act,2013.

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in this regard and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable and its decision shall be final and binding."

13. To substitute the Articles of Association and in this regard to consider and if thought fit to pass with or without modification(s), following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 5, 14, 15 and all other applicable provisions of the Companies Act, 2013 (statutory modification (s) or re-enactment thereof, for the time being in force), the new draft Articles in line with the companies Act,2013, as contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

14. Listing with Bombay Stock Exchange/National Stock Exchange and in this regard, to consider and if thought fit, to pass with or without modification(s), following resolution as a **Special Resolution**

"RESOLVED THAT subject to the provisions of the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2003, listing agreements with the Stock Exchanges and Guidelines/Rules of the Securities and Exchange Board of India and/or such other applicable laws, regulations and guidelines and subject further to such approvals and sanctions as may be required, the Board of Directors (hereinafter referred to as "The Board" which term shall include a Committee of Directors) be and is hereby authorized to list Equity Shares of the company with Bombay Stock Exchange/National Stock Exchange.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to apply to such BSE/NSE/SEBI and take all the required steps in terms of .guidelines laid down by SEBI for listing of the Equity Shares of the Company and to decide/settle all the matter related to listing of shares and also to do all such acts/deeds and things as may be required by the relevant Competent Authority for and on behalf of the Board.

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in this regard and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable and its decision shall be final and binding."

By Order of the Board
For **KANCHI KARPOORAM LIMITED**
Sd/-
SURESH SHAH
Managing Director

Place : Chennai
Date : 01.08.2014

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting
6. 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
7. 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.
8. The Register of Members and Share Transfer Books of the Company will be closed from 03rd September 2014 and 4th September 2014
9. If final dividend as recommended by the Board of Directors is approved at the AGM, the payment of dividend will be made on/before 09th day, October 2014 as under
 - a) To all beneficial owners in respect of shares held in dematerialized form, as per data made available by the National Securities Depository Limited and Central Depository Services (India) Limited as of the closure of business hour on 02nd September 2014;
 - b) To all members in respect of shares held in physical form, after giving effect to valid transfers in respect of transfer request lodged with the company on or before the closure of business hour on 02nd September 2014;
10. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, M/s.Cameo Corporate Services Ltd. "Subramanian Building" No.1, Club House Road, Chennai - 600 002 cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
11. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Cameo Corporate Services Ltd.



12. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the dividend which remained unclaimed for a period of Seven (7) Years from the date of transfer to the unpaid Dividend Account is required to be transferred to the "Investor Education and Protection Fund"(IEPF) established by the Central Government. Also as per the provision of Section 124(6) of the Companies Act, 2013 all shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section 5 shall also be transferred by the Company in the name of (IEPF). The provision of section 125(3) of the Companies Act, 2013 Provides that the person whose amounts referred to section 124 (5) & (6),clauses (c) to (e) of section 125 of the Companies Act, 2013 and under clauses (a) to (d) of sub-section (2) of section 205C of the Companies Act, 1956 transferred to Investor Education and Protection Fund, after the expiry of the period of seven years, shall be entitled to get refund out of the Fund in respect of such claims in accordance with rules made under this section.
13. 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 / Cameo Corporate Services Ltd
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Cameo Corporate Services Ltd , for consolidation into a single folio.
15. Non-Resident Indian Members are requested to inform Cameo Corporate Services Ltd, immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
16. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, M/s. Cameo Corporate Services Ltd and have it duly filled and sent back to them.
17. Electronic copy of the Annual Report for 2013-14 is being sent to all Members whose email Ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
18. Electronic copy of the Notice of the 21st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email ids are registered with the Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Notice of 21st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
19. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically
20. Members may also note that the Notice of the 21st Annual General Meeting and the Annual Report 2014 will be available on the Company's website, www.kanchikarpooram.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: investorcare@kanchikarpooram.com/kanchikarpooramus@gmail.com.
21. Voting through electronic means: In terms of the provision of section 108 of the companies Act read with Companies(Management and Administration) Rules 2014, every listed company or a company having not less than 1000 shareholders, shall provide its members facility to exercise their rights to vote at the General Meeting by electronic means. Members may exercise his rights to vote at any General meeting by election means and company may pass any resolution by electronic voting systems in accordance with the provisions of the Companies(Management and Administration) Rules 2014.



In Compliance with the 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 its members the facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The Instructions for e-voting are as under

(A) In case of members receiving e-mail:

- i) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
- ii) Log on to the e-voting website www.evotingindia.com.
- iii) Click on "Shareholders" tab to cast your votes.
- iv) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: <Default Number> in the PAN field.

Please enter any one of the details in order to login.

vi After entering these details appropriately, click on "SUBMIT" tab.

vii) Members holding shares in physical form will then reach directly to the voting screen. However, members holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *). 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. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.

viii) Click on the relevant EVSN on which you choose to vote.

ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(II) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:

(B) Please follow all steps from sl. no. (ii) to sl. no. (xiii) above, to cast vote.

(C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

(D) The voting period begins on 03rd September 2014 and ends on 04th September 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 02nd September, 2014, 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.



(E) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

- I. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 02nd September, 2014.
- II. M/s. M. Damodaran and Associates Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- III. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IV. In case of those Members, who do not have access to e-voting facility, they can use the assent/dissent form sent herewith or can be downloaded from our website www.kanchikarpooram.com and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and send the form to reach M/s. M. Damodaran and Associates Scrutinizer appointed by the Company at the registered office of the Company on or before 04th September 2014 (6.00 pm).
- V. Members can choose only one of the two options namely e-voting or voting through physical assent/ dissent form. In case the votes are casted through both the formats, then votes casted through e-voting shall stand cancelled and those votes casted through physical assent/dissent form would be considered, subject to the assent/dissent form being found to be valid.
- VI. The Results of e-voting, physical assent / dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kanchikarpooram.com.
- VII. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 1 pm on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

NAME	NA RAGHU	K.VENKATESHWARAN	ARUN V SHAH	PUSHPA S JAIN
DIN	06736497	00001899	01744884	06939054
Date of Birth	20.07.1969	25.05.1935	19.02.1964	07.09.1958
Nationality	INDIAN	INDIAN	INDIAN	INDIAN
Date of Appointment on the Board	20.11.2013	18.02.2014	05.10.1994	10.09.2014
Relationship with Other Director	None	None	Brother of Mr.Suresh Shah	Wife of Mr.Suresh Shah
Qualification	B.S Engineering & Technology, BITS, Pilani	B.Com, FCS,	B.Com	Matric
Expertise in Area	More than 25 years experience as BEE certified energy auditor	More than 54 years in financial, secretariat and legal matters	More than 30 years in sales in general and camphor in particular	Engaging in Social Services
No. of shares held	Nil	Nil	38500	2,74,500
List of Directorships held in other Companies	Nil	Nil	Nil	Nil
Chairman / Member of the Committees of the Board of other Companies in which the Director	Nil	Nil	Nil	Nil

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“the Act”)****Item No. 5**

Mr. Shri.Narasimhan Raghu is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement. He has been appointed as an additional Director in the Board of your Company on 20.11.2013. Mr. Narasimhan Raghu, holds a B.S Engineering & Technology, BITS, Pilani and having to his credit More than 25 years experience as BEE certified energy auditor. He is a person of high integrity and having vast expertise and experience in the field of marketing which will be of immense helpful to your company. His continuance guidance and association with company will be highly benefited and advantageous.

He is also the member of the Audit committee, Shareholders'/Investors' Grievances Committee and member of Remuneration Committee of the Board of the Company. Mr.Narasimhan Raghu does not holds any equity shares in the company. Mr.Narasimhan Raghu who has been appointed as an Independent director of the company under section 161 of the Companies Act,2013 shall hold office up to the conclusion of the ensuing Annual General Meeting. The Company has also received declaration from Mr.Narasimhan Raghu that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

The Board of Directors of your Company after reviewing the declaration submitted by Mr.Narasimhan Raghu, are of the opinion that Mr.Narasimhan Raghu meets the criteria of independence as per the provisions of Section 149(6) of the Companies Act, 2013 and rules made thereunder and also meets with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, for his appointment as an Independent Director of the Company and is independent of the management.

Hence, in terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr.Narasimhan Raghu being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of your Company for 5 (Five) consecutive years for a term upto the conclusion of the 26th Annual General Meeting of the Company in the calendar year 2019. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act 2013, proposing Mr.Narasimhan Raghu as a candidate for the office of Director of the Company.

Copy of the draft letter for appointment of Mr.Narasimhan Raghu as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. And the letter of appointment along with the detailed profile of independent director shall be disclosed on the websites of the company and the Stock Exchanges not later than one working day from the date of such appointment.

Brief resume of Mr.Narasimhan Raghu, nature of his expertise in specific functional areas and names of companies in which they holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided above.

The Board considers that his continued association would be of immense benefit to the Company and it is necessary to continue to avail services of Mr.Narasimhan Raghu as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr.Narasimhan Raghu as an Independent Director, for the approval by the members of the Company.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Except Mr.Narasimhan Raghu, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

Item No. 6

Mr.K.Venkateswaran is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement. He has been appointed as an additional Director in the Board of your Company on 18.02.2014. Mr.K.Venkateswaran, holds B.Com degree with FCS qualification and is a Fellow of Institution of Company Secretaries of India and having to his credit More than 54 years experience in financial, secretariat and legal matters. He is a Business Advisor and Management Consultant. His areas of expertise covers Business



development, financial projections and planning, Strategic Planning, legal and regulatory compliance, project/Venture funding and Corporate Governance. He is a person of high integrity and having vast expertise and experience in the field of Finance and legal and secretarial which will be of immense helpful to your company. His continuance guidance and association with company will be highly benefited and advantageous. He is not in the Board of any other company.

He is also the member of the Audit committee, Shareholders'/Investors' Greivances Committee and member of Remuneration Committee of the Board of the Company.

Mr.K.Venkateswaran does not hold any equity shares in the company. Mr.K.Venkateswaran who has been appointed as an Independent director of the company under section 161 of the Companies Act, 2013 on 18.02.2014, will hold office as such up to the conclusion of the ensuing Annual General Meeting. The Company has also received declaration from Mr.K.Venkateswaran that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013. The Board of Directors of your Company after reviewing the declaration submitted by Mr.K.Venkateswaran, are of the opinion that Mr.K.Venkateswaran meets the criteria of independence as per the provisions of Section 149(6) of the Companies Act, 2013 and rules made thereunder and also meets with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, for his appointment as an Independent Director of the Company and is independent of the management.

Hence, in terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr.K.Venkateswaran being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of your Company for 5 (Five) consecutive years for a term upto the conclusion of the 26th Annual General Meeting of the Company in the calendar year 2019. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act 2013, proposing Mr.K.Venkateswaran as a candidate for the office of Director of the Company.

Copy of the draft letter for appointment of Mr.K.Venkateswaran as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. And the letter of appointment along with the detailed profile of independent director shall be disclosed on the websites of the company and the Stock Exchanges not later than one working day from the date of such appointment.

Brief resume of Mr.K.Venkateswaran, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided above.

The Board considers that his continued association would be of immense benefit to the Company and it is necessary to continue to avail services of Mr.K.Venkateswaran as an Independent Director. Accordingly, the Board recommends the resolution set out as Item No.6 of the Notice in relation to appointment of Mr.K.Venkateswaran as an Independent Director, for the approval by the members of the Company.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Except Mr.K.Venkateswaran, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6.

Item No. 7

Mr.S.Srinivasan had been appointed as Independent Director vide member's resolution at the AGM held on 29th September 2012 in terms clause 49 of the Listing Agreement, his tenure of office of independent Director has not been specified, therefore he shall hold office as Independent Director till the conclusion of the ensuing AGM and being eligible he offer himself for reappointment.

Mr.S.Srinivasan is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement since 30.01.2012. Mr.S.Srinivasan, having experience of more than 40 years of in the field of legal and human resource which will be of immense helpful to your company. His continuance guidance and association with company will be highly benefited and advantageous. He is not in the Board of any other company.



He is also the member of the Audit committee, Shareholders'/Investors' Greivances Committee and member of Remuneration Committee of the Board of the Company. Mr.S.Srinivasan does not hold any equity shares in the company. Mr.S.Srinivasan who has been appointed as an Independent director of the company under section 161 of the Companies Act, 2013 at the AGM held on 29.09.2014, will hold office as such up to the conclusion of the ensuing Annual General Meeting. The Company has also received declaration from Mr.S.Srinivasan that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

The Board of Directors of your Company after reviewing the declaration submitted by Mr.S.Srinivasan, are of the opinion that Mr.S.Srinivasan meets the criteria of independence as per the provisions of Section 149(6) of the Companies Act, 2013 and rules made thereunder and also meets with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, for his appointment as an Independent Director of the Company and is independent of the management.

Hence, in terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. S.SRINIVASAN being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of your Company for 5 (Five) consecutive years for a term upto the conclusion of the 26th Annual General Meeting of the Company in the calendar year 2019. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act 2013, proposing Mr.S.Srinivasan as a candidate for the office of Director of the Company.

Copy of the draft letter for appointment of Mr.S.Srinivasan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. And the letter of appointment along with the detailed profile of independent director shall be disclosed on the websites of the company and the Stock Exchanges not later than one working day from the date of such appointment.

Brief resume of Mr.S.Srinivasan, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided above.

The Board considers that his continued association would be of immense benefit to the Company and it is necessary to continue to avail services of Mr.S.Srinivasan as an Independent Director. Accordingly, the Board recommends the resolution set out as Item No.7 of the Notice in relation to appointment of Mr.S.Srinivasan as an Independent Director, for the approval by the members of the Company.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Except Mr.S.Srinivasan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.7.

Item No.8

The Board of Directors of the Company at its meeting held on February 28, 2014 has appointed Shri.Arun V Shah, an existing Director of the Company as Whole-time Director of the company till the ensuing Annual General Meeting with effect from 01.03.2014, at remuneration recommended by the remuneration committee of the Board for a period of 5 (five) years, subject to the approval of shareholders

Shri.Arun V Shah, is a B.com Graduate and having to his credit More than 30 years of experience in sales in general and camphor in particular. He is a part of the company's Board since 1994 and has been dedicating his substantial time in the marketing and promotion of company's product. His contribution towards development of company's business is highly commendable. Shri.Arun V Shah is the relative (brother) of Mr. Suresh Shah, Managing Director of the Company.

The Audit Committee, the Remuneration Committee and the Board of Directors of the Company at its Meeting held on 28th February, 2014 have approved the remuneration payable to Shri.Arun V Shah effective from 01st March 2014.



Considering his experience and expertise, the Audit Committee, the Remuneration Committee, and the Board of Directors of the Company felt that the remuneration package offered to him is fair, reasonable and also in line with the remuneration package prevailing in the industry.

In terms of the provisions of Section 188 of the Companies Act, 2013, the proposed Special Resolution seeks approval of the Members of the Company for re-appointment and remuneration payable to Shri.Arun V Shah w.e.f. March 1, 2014, as is a related party to Mr. Suresh Shah, Managing Director of the Company.

His continuance guidance and association with company will be highly benefited and advantageous. He is a share holder of the company holding 38,500 equity shares of Rs.10 each and he is not in the Board of any other company. Accordingly, the Board recommends the resolution set out as Item No.8 of the Notice in relation to appointment of Shri.Arun V Shah as a whole time Director of the company for a period of five years with effect from 01.03.2014.

In terms of section 190 of the companies Act 2013 a contract of service/ a written memorandum setting out its terms of employment with managing or whole-time director is available for inspection at the registered office of the company.

Except Shri. Suresh Shah, Shri Deepesh S Jain and Shri.Arun V Shah being an appointee and, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.8.

Item No.09

In terms of section 149(1) of the Companies Act, 2013 and clause 49 of the Listing Agreement the Every Listed Company should have at least One Women Director in the Board.

Mrs.Pushpa S Jain is the relative (wife) of Shri.Suresh Shah, Managing Director of the Company. She has been associated with the Company through her husband and having vast experience and knowledge in business which will be of immense helpful to your company. Her continuance guidance and association with company will be highly benefited and advantageous. Apart from that she has been continuously engaging in promoting various charitable activities for more than two decade. she is not in the Board of any other company. Keeping in view the above legal requirements the Board of Directors have recommend that Mrs.Pushpa S Jain be appointed as Women non executive Director of the Company at the ensuing Annual General Meeting.

The Company has received notice in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of Mrs.Pushpa S Jain for the office of Women Director of the Company. Mrs.Pushpa S Jain is not disqualified from being appointed as Director in term of Section 164 of the Act and has given her consent to act as Director. She holds 2,74,500 equity shares in the Company. The Company has also received declaration from Mrs.Pushpa S Jain that she meets with the criteria as prescribed under section 184 of the Companies Act, 2013.

The Board of Directors of your Company after reviewing the declaration submitted by Mrs.Pushpa S Jain, are of the opinion that Mrs.Pushpa S Jain meets the criteria of Director as per the provisions of Section 184 of the Companies Act, 2013 and rules made there under for her appointment as a Women Non Executive Director of the Company

Hence, in terms of Section 184 and any other applicable provisions of the Companies Act, 2013, Mrs.Pushpa S Jain being eligible and offering herself for appointment, is proposed to be appointed as a women Non Executive Director of your Company liable to retire by rotation and eligible for re-appointment. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act 2013, proposing Mrs.Pushpa S Jain as a candidate for the office of Women Non Executive Director of the Company.

Brief resume of Mrs.Pushpa S Jain, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se is available for inspection at the registered office of the company during normal working hours.

The Board considers that her association would be of immense benefit to the Company and it is necessary to avail services of Mrs.Pushpa S Jain. Accordingly, the Board recommends the resolution set out as Item No.9 of the Notice in relation to appointment of Mrs.Pushpa S Jain as Women Non Executive Director, for the approval by the members of the Company.



Except Shri.Suresh Shah, Shri Deepesh S Jain and Shri.Arun V Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.9

Item No.10 and 11

The members of the Company at their Extra Ordinary General Meeting held on 01st February, 1995 approved, by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956, borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 25,00,00,000 (Rupees Twenty Five Crores).

At the same meeting the members of the Company had also approved an Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956, to mortgaging and/or charging by the Board of Directors of the Company of all the immovable and moveable properties of the Company wheresoever situate, present and future, and the whole of the undertaking of the Company to or in favour of institutions / banks (lenders) or the trustees for the lenders of the Company to secure the financial assistances granted / to be granted by the lenders upto an amount in the aggregate not exceeding Rs.25,00,00,000 (Rupees Twenty Five Crores).

Section 180(1)(c) of the Companies Act, 2013 effective from September 12, 2013 requires that the Board of Directors shall not borrow monies in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained / to be obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution.

Similarly section 180(1)(a) of the Companies Act, 2013 effective from September 12, 2013 requires that the Board of Directors shall not exercise the powers in relation to mortgaging and/or charging the immovable and moveable properties of the Company to secure the credit facilities obtained / to be obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1) (c) and section 180(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as set out at Item No. 10 and 11 of the Notice, to enable the Board of Directors to borrow monies not exceeding Rs.60 Crores (Sixty Crores) and to create mortgage and charge over the immovable and moveable properties of the Company to secure the credit facilities obtained or to be obtained from the company's Bankers.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10 and 11.

Item No.12

The Company has been entering into transactions with M/s Suresh Industries confirming to prescribed statutory procedure under Companies Act, 1956 and with the approval of Central Government in respect of such transactions falling under the proviso to Sec 297 of the Companies Act, 1956. M/s Suresh Industries is a related party within the meaning of section 2(76) of the companies Act,2013 and, thus the transaction require the approval of members by special resolution under section 188 of the companies Act,2013. The Company proposes to enter into such transactions with M/s Suresh Industries confirming to the requirements as per Companies Act, 2013 and Listing Agreement entered into with the Stock Exchange(s) for a period of 5 Years.

meaning of section 2(76) of the companies Act,2013 and, thus the transaction require the approval of members by special resolution under section 188 of the companies Act,2013. The Company proposes to enter into such transactions with M/s Suresh Industries confirming to the requirements as per Companies Act, 2013 and Listing Agreement entered into with the Stock Exchange(s) for a period of 5 Years.

In the context the necessary Special Resolution is proposed for the approval of members. The transactions have been approved by the Audit Committee in their meeting held on May 30, 2014 and also by the Board of Directors subject to the Company passing a Special Resolution as per the requirement of the Act.

The particulars as to the related party transactions are furnished below as per the requirements of the prescribed rules / Para 3 of Explanation (1) to Rule 15 the Companies (Meeting of Board and its Power)Rules 2014 and the grounds for having the transactions.



Name of the Related Party	M/s Suresh Industries	
Name of the Director / KMP who is related, if any	Shri.Suresh Shah Shri Deepesh S Jain and Shri.Arun V Shah	
Nature of relationship	Shri.Suresh Shah, Interested as Proprietor and others as relatives	
Nature, Material terms, Monetary and Particulars of the Contract	Particulars	Rs. Annum
	Sale of Camphor, Gum rosin, turpentine and its derivatives	5 Crores
Tenure of Contract	The Contract would be for a period of 5 Years	
Other relevant Information	The Company has obtained necessary Central Government Approval vide letter No.2/K-11644/2013 dt.12.07.2013 for the period 27.06.2013 to 26.06.2016.	

The Board recommends the resolution set forth in Item No. 12 for the approval of members as special Resolution.

Except Shri.Suresh Veerchandji Shah, Shri Deepesh S Jain and Shri. Arun V Shah, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 12

Item No. 13

The Articles of Association of the Company as currently in force was originally adopted when the Company was incorporated under the Companies Act, 1956 and further amendments were adopted as and when required pursuant to the provisions under the Companies Act, 1956, from time to time, over the past several years. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013. Considering that substantive sections of the Companies Act which deal with the general working of the companies stand notified, it is proposed to amend the existing Articles of Association to align it in line with the provisions of Companies Act, 2013 including the Rules framed thereunder and adoption of applicable sections from Table "F" to Schedule I to the Companies Act, 2013 which sets out the model articles of association for a company limited by shares.

While some of the Articles of the existing Articles of Association of the Company require alteration or deletions, material changes that are proposed in the new draft Articles of Association are available for inspection at the registered office of the company.

The proposed new draft Articles of Association is being uploaded shortly on the Company's website at www.kanchikarpooram.com for perusal by the shareholders.

The Board recommends the Special Resolution set out at item No. 13 of the Notice for approval by the members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 13 of the Notice.

Item No. 14

Company's Equity Shares are presently listed on Madras, Delhi and Ahmedabad Stock Exchanges. SEBI vide circular dated May 30, 2012 (Exit Circular) had issued guidelines in respect of exit options to Regional stock exchanges. The Board recommends for listing of shares with BSE/NSE in terms of guidelines in force or any subsequent amended guidelines laid down by SEBI. The Board recommends the Special Resolution set out at item No. 14 of the Notice for approval by the members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 14 of the Notice.

By Order of the Board
For **KANCHI KARPOORAM LIMITED**

Sd/-

SURESH SHAH

Managing Director

Place : Chennai
Date : 01.08.2014

**DIRECTORS' REPORT****Dear Shareholders**

Your Directors take pleasure in presenting the Twenty First Annual Report of your Company together with the audited financial statement for the year ended 31st March, 2014

Financial Results

The summary of the financial performance of the Company for the year ended 31st March, 2014 as compared to the previous year is as below. Segment-wise reporting as per Accounting Standards AS-17 is not applicable to your Company, since your Company is engaged in the activity of single segment only.

Particulars	Year ended 31.03.2014 (Rs.Lakhs)	Year ended 31.03.2013 (Rs.Lakhs)
Revenue from Operations	5675.90	5130.66
Other income	15.52	14.61
Total Expenses	5246.44	4930.31
Finance Cost	121.31	156.41
Depreciation and amortization expenses	123.12	194.78
Profit / Loss Before tax	429.46	200.35
Current tax	188.00	90.00
Deferred Tax reversal	(21.48)	(19.17)
Profit / Loss After tax	270.40	129.53
Earning per share		
Basic & Diluted	6.53	3.13
Your Directors recommend the following appropriations:-		
Proposed Dividend (Rs.1.5 per share)	62.13	62.13
Dividend Distribution Tax	10.56	10.56
Transfer to general Reserve	150.00	150.00

Performance & Operations

The year under review had yielded good results. This could be achieved because of the procurement and sales policies adopted by your company.

Business analysis and prospects as discussed by your Management

Despite of the prevailing global economic recession the performance of the company during the year under review has been increased as against the previous year. This was attributable on account of the continuous up gradation of technology and plants and machineries, stringent quality parameters to produce defect free goods and aggressive marketing, including established relationship with major suppliers and customers. During the year under review the company has adopted various effective measures to reduce the operational cost wherever possible to achieve greater profitability.

Dividend

Your directors are pleased to recommend a final dividend of Rs. 1.50 per equity shares of face value of Rs.10/- each (i.e. 15%) for the year ended 31st March 2014, which as per the provisions of Income Tax Act presently in force will not be taxed in the hand of the shareholders. However the company will be paying the prescribed tax on the distributed dividend. The final dividend, subject to the approval of members at the Annual General Meeting on 10th September, 2014 will be paid on or before 09th October 2014 to the members whose names appears in the Register of Members on or before closure of business hours on 02nd September, 2014.

Public Deposits and Loans/Advances

Your Company has not accepted any deposits from the public, or its employees during the year under review. Being the company does not have any subsidiary company/s the disclosure in pursuant to Clause 32 of the Listing Agreement, with regard to loans /advances and investments in its own shares by the listed companies, their subsidiaries, associates etc is not required.

**Subsidiaries / Joint Ventures**

The company does not have any Subsidiaries and Joint Venture Company. Therefore the company is not required to present in its Annual Report, the consolidated financial statements of holding Company and all of its subsidiaries duly audited by its statutory auditors.

Corporate Social Responsibility:-

In terms of section 135 of the Companies Act, 2013 read with rule 9 of the Companies (Accounts) Rules 2014. Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. They shall disclose the content of Corporate Social Responsibility Policy in the Board's Report and on the Company's Website which shall be as per Annexure attached to the Companies (Corporate Social Responsibility Policy) Rules 2014. The Board's report under sub-section (3) of section 134 shall disclose the composition of the Corporate Social Responsibility Committee.

The Board of every company shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy, being the Company is not qualifying the condition stipulated under section 135(1) of the Companies Act, 2013 therefore your Company is outside the purview of the Section 135(1). In spite of that Your Company as a part of Social Responsibility also intend to construct sanitation facility to the houses in the near by village as a step to educate the necessity environmental preservations.

Listing at Stock Exchanges

The SEBI vide its (Exit Circular) dated 30th May, 2012 had issued guideline in respect of exit options to Regional Stock Exchanges, who are not able to satisfying the New Net worth and Trading Norms and other regulatory requirements specified by the SEBI, in compliance with SEBI exit Circular all the three stock exchanges Delhi, Madras and Ahmedabad Stock Exchange where the Company's shares are listed or in the process of / had already submitted their exist application to SEBI.

Therefore the Board of Directors in order to facilitate the shareholders of the Company to trade the Companies Securities freely through the BSE Limited platform has already submitted an application on 29th May, 2014 to BSE Limited for listing of its securities which is under consideration.

Internal Control Systems

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations which your Directors feel is sufficient for the Company's performance.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information as prescribed under Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is given in a separate annexure, which forms a part of this report

Particulars of Employees

None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended. The industrial relations continued to be generally peaceful and cordial.

Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013, and the Articles of Association of the Company Shri.Arun V Shah, Director of the Company is liable to retire by rotation and is eligible for re-appointment.

The Board of Directors of the Company at its meeting held on February 28, 2014 has appointed Shri.Arun V Shah, an existing Director of the Company as Whole-time Director of the company till the ensuing Annual General Meeting with effect from 01.03.2014, at remuneration recommended by the remuneration committee of the Board for a period of 5 (five) years, subject to the approval of shareholders



There are three Independent Directors on the Board of the Company as per the Listing Agreement requirements viz., Shri.Narasimhan Raghu, Shri.K.Venkateswaran and Shri.S.Srinivasan.

Of the above Independent Directors Shri.Narasimhan Raghu and Shri.K.Venkateswaran have been appointed as additional directors under section 161 of the Companies Act who shall hold office up to the date of this Annual General Meeting and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from members, proposing their candidature for the office of Director, are proposed to be appointed as Independent Directors of the Company under the Companies Act, 2013 to hold office for 5 (Five) consecutive years

Shri.S.Srinivasan had been appointed as Independent Director vide member's resolution at the previous AGM held on 29th September 2012 in terms clause 49 of the Listing Agreement, his tenure of office of independent Director has not been specified, therefore he shall hold office as Independent Director such till the conclusion of the ensuing AGM. Therefore the board of Directors propose to appoint Shri.S.Srinivasan as Independent Directors of the Company under the Companies Act, 2013 to hold office for 5 (Five) consecutive years.

In terms of provision 149 of the Companies Act, 2013, the Board of Directors recommending the members to appoint Smt.Puspa as Women Non Executive Director of the Company

The Company has also received the requisite disclosures/declarations from Shri.Narasimhan Raghu, Shri.K.Venkateswaran and Shri.S.Srinivasan stating that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

Profile of all these Directors under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment at the Annual General Meeting are provided in the Corporate Governance Report and in the Explanatory Statement to the Notice.

Disclosures of Particulars of Constituting "Group" pursuant to Regulation 3 of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011.

Pursuant to an information from the promoters, the name of the promoters and entities comprising group as defined under Monopolies and restrictive Trade Practice (MRTP) Act, 1969, are 42.26% of the total paid up share for the purpose of SEBI(Substantial Acquisition of Shares & Takeovers) Regulations, 2011.

Transfer to Investor Education and Protection Fund(IEPF)

There is no dividend which remained unclaimed by the members of the Company for a period exceeding 7 years from its due date of payment and there is no unpaid or unclaimed dividends falling due during the year under review to be transferred to Investor Education and Protection Fund under section 125 of the companies Act, 2013 read with the provisions of erstwhile Section 205C of the Companies Act, 1956.

Auditors

In terms of section 139 (2) of the companies Act, 2013 read with Rule 5 of the Companies (Audit and Auditors) Rules, 2014 no listed company shall appoint or re-appoint

- (a) an individual as auditor for more than one term of five consecutive years; and
- (b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that

- (i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term;
- (ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.

Section 139(1) of the Act also provides that every company, existing on or before the commencement of this Act which is required to comply with provisions of this sub-section, shall comply with the requirements of this sub-section within three years from the date of commencement of this Act:

M/s.R.Subramanian and Co, Chartered Accountants, (Registration No.FRN 004137S), has been appointed as a statutory auditor of the company since incorporation and the are liable to retire at the ensuing annual general



meeting and being eligible for reappointment offer themselves for reappointment. As on date said firm is holding office as statutory Auditor for more than 10 years and in terms of section 139(1) of the Act the said firm of auditor eligible for reappointment for another terms of maximum period of three years from the conclusion of the ensuing Annual General Meeting. As required under Section 139 / 141 of the Companies Act, 2013, the Company has obtained a written consent from M/s.R.Subramanian & Co., to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

Audit Committee after taking into consideration the qualifications and experience of the firm which are in commensurate with the size and requirements of the company recommended the name of M/s.R.Subramanian & Co., Chartered Accountants as statutory Auditor for another terms of three years to the Board for consideration.

The Board taking into consideration the recommendation of the Audit committee recommend the members to appoint M/s.R.Subramanian & Co., Chartered Accountants, Chennai as Statutory Auditors of the Company for a period of three years from the conclusion of the ensuing Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company, subject to ratification of the appointment by the members at every AGM held after the ensuing AGM.

Auditors' Report

The Auditors' Report to the members on the Accounts of the Company for the financial year ended March 31,2014 does not contain any qualification.

Cost Audit Report

As applicable under the erstwhile provisions of the Companies (Cost Audit Report) Rules 2011 the Company has obtained the cost Audit report from M/s.Sivasankaran & Co, Cost Auditors.

As per the Ministry of Corporate Affairs in exercise of power comfort under section 148 of the Companies Act, 2013 and in supersession of Companies (Cost Accounting Records) Rules 2011, Companies (Cost Audit Report) Rules 2011 notified Companies Cost Records and Audit Rules 2014 in pursuant to Rule 4 of the said rules the Cost Audit of Companies cost records is not applicable for the current financial year, however the Company is required to maintain cost records in the books of Accounts in pursuance to Rule 3 of said rule.

Key Managerial Personnel

In compliance with Section 203 of the Companies Act, 2013 and rules made thereunder Mr.K.C.Radhakrishnan as Chief Financial Officer of the Company and the Company is taking every possible steps to appoint a Company Secretary.

Credit Rating

During the year under review, Rating Agencies CRISIL reaffirmed/issued BB+ Stable for the Bank loan facility related long term ratings to your company.

Directors' Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- b) the selected accounting policies were applied consistently and the Directors 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 as at March 31, 2014 and of the profit of the Company for the year ended on that date.
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the annual accounts have been prepared on a going concern basis.

Corporate Governance

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate Chapter on Corporate Governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliance forms part of this Report. The Managing Director and Chief Financial Officer of the Company have issued necessary certificate to the Board in terms of Clause 49(V) of Listing Agreement for the financial year ended March 31, 2014.

**Additional Disclosures**

Management Discussion and Analysis Report, Corporate Governance Report, Segment report, and Related Party Disclosures provided elsewhere in the Annual Report form a part of this Report as required under the Listing Agreement entered into with the Stock Exchanges

Compliance Certificate

The Compliance Certificate as issued by M/s. Rabi Narayan & Associates, Practicing Company Secretaries, Chennai for the year ended 31st March, 2014 is attached herewith and forming part of this report.

Whistle Blower Policy

In terms of section 177(9) of the companies Act,2013 read with Rule 7 of The companies(Meeting of Board and its Powers) Rules 2014 and Clause 49 of the Listing Agreement your company has established a vigil mechanism for directors and employees to report genuine concerns of the company with adequate safeguards against victimisation of persons who use such mechanism. The details of establishment of such mechanism will be disclosed on the company's website www.kanchikarpooram.com.

Green Initiatives

Electronic copies of the Annual Report 2014 and Notice of the 21st AGM are sent to all members whose email addresses are registered with the company /Depository Participant(s).For members who have not registered their email addresses, physical copies of the Annual Report 2014 and the Notice of the 21stAGM are sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014. The instructions for e-Voting is provided in the Notice.

Acknowledgements

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders -Clients, Financial Institutions, Banks, Central and State Governments, the Company's valued investors and all other business partners for their continued co-operation and excellent support received during the year. Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its growth.

For and on behalf of the Board of Directors

For **KANCHI KARPOORAMLIMITED**

Place : Chennai
Date : 01.08.2014

SURESH SHAH
Managing Director

ARUN V SHAH
Whole Time Director



**ANNEXURE - 1
FORM - A**

Form for disclosure of particulars with Respect to conservation of energy

	01.04.2013 to 31.03.2014	01.04.2012 to 31.03.2013
A. Power and Fuel Consumption		
1.Electricity		
a. Purchase :		
Unit	635740	3,56,000
Total Amount (Rs.)	4215323	24,53,992
Rate/Unit (Rs.)	6.72	6.89
b. Own Generation		
(I) Through Diesel Generator :		
Unit	321448	5,99,873
Unit per lit of diesel oil	3.15	3.18
Cost / Unit (Rs.)	17.48	14.96
(ii)Through Steam Turbine / Generator		
Unit		
Unit / Cost	N.A.	N.A.
2.Coal (Specify quality and where used) N.A.N.A.		
3.Furnace Oil :		
Quantity (M.T.)	37.845	92.119
Total Amount	1599520	38,39,262
Average rate (Rate per KL) (Rs.)	42265	41,677
4.Others / Internal Generation		
Quantity	N.A.	N.A.
Total cost	N.A.	N.A.
Rate / Unit	N.A.	N.A.

Foreign Exchange Earnings & Outgo

Your Company has also earned foreign exchange of Rs.113.64 Lakhs through exports. The total Foreign Exchange utilized by the Company during the year for the purchase of Raw Materials and others was Rs.3283.83 Lakhs.

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

Place : Chennai
Date : 01.08.2014

SURESH SHAH
Managing Director

ARUN V SHAH
Whole Time Director

**SECRETARIAL COMPLIANCE CERTIFICATE**

(Pursuant to Section 383A of the Companies Act, 1956,
read with Rule 3 of The Companies (Compliance Certificate) Rules, 2001

CIN. : L30006TN1992PLC022109
Authorised Capital : Rs.5,00,00,000/-
Paid up Capital : Rs.4,14,22,000/-

To
The Members of
M/s.KANCHI KARPOORAM LIMITED,
Parandur Road, Karaipettai Post,
Kanchipuram - 631552

We have examined the registers, records, books and papers of **M/s. KANCHI KARPOORAM LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, and notified provisions of Companies Act, 2013 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March 2014. In our opinion and to the best of our information and according to the examination carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the Rules made there under.
3. The Company, is a Public Limited Company under section 2(71) of the Companies Act, 2013 and having the minimum prescribed paid up share capital.
4. The Board of Directors duly met Eighteen (18) times on 12.04.2013, 30.05.2013, 15.06.2013, 24.06.2013, 18.08.2013, 02.09.2013, 13.09.2013, 23.09.2013, 21.10.2013, 15.11.2013, 20.11.2013, 26.11.2013, 10.01.2014, 14.02.2014, 18.02.2014, 28.02.2014, 05.03.2014 and 27.03.2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolution passed in the minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 09th September, 2013 to 12th September, 2013 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the Financial Year ended 31-03-2013 was held on 12th September 2013 after giving due notice to the members of the Company and other concerned and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 185 of the Companies Act, 2013
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contract entered by the Company with M/s.Suresh Industries. The Company has obtained approval from Board of Directors for sale of goods to Ambika Industries, as informed us, at prevailing market price.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. The Company has obtained necessary approvals from the Board of Directors and members pursuant to Section 314 of the Act
12. The Board of Directors has approved the issue of duplicate Share Certificates during the financial year under review.
13. (i) There was no allotment of shares during the financial year under scrutiny. The Company has delivered all the certificates on lodgment thereof for transfer/transmission and for any other purpose in accordance with the provisions of the Act.
(ii) The Company has deposited the amount of dividend declared in a separate bank account on 16.09.2013 which is within 5 days from the date of declaration of such dividend .
(iii) The Company has posted warrants for dividends to all members within a period of 30 days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to Unpaid Dividend Account of the Company with HDFC Bank, Mylapore Branch.



(iv) The Company was not required to transfer any amount to Investor Education and Protection Fund pursuant to Section 205 C of the Act

(v) The Company has complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted during the year under review. Mr.Narasimhan Raghu and Mr.Venkateswaran Krishnaswamy were appointed as Additional Directors at their Board meeting held on 20.11.2013 and 18.02.2014 respectively. Apart from the above there was no appointment of alternate or Directors to fill the causal vacancies.
15. The re-appointment of Mr.Suresh Shah, as Managing Director, re-appointment of Mr.Deepesh Shah as Whole-time Director for a period of Three (03) years with effect from 01st October, 2013 and the change of designation of Mr.Arun V Shah, as Whole-time Director of the company with effect from 01.03.2014, have been made in compliance with the provision of Section 269 read with Schedule XIII to the Act
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company has filed and obtained approval from Regional Director, Southern Region regard to approval of contract with M/s.Suresh Industries for a period of Three (03) years with effect from 27.06.2013. The Company also obtained approvals from Ministry of Corporate Affairs with regard to appointment of M/s.N.Sivashankaran & Co as cost auditor of the Company for the year ended 31-03-2013 and 31-03-2014. Apart from the same, the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in the other Firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued/allotted any shares, debentures or other securities during the financial year.
20. The Company has not bought back any Shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus Shares, pending registration of transfer of Shares.
23. The Company has not invited/accepted any deposits, including unsecured loan falling within the purview of Section 58A and 58AA of the Act and rules made there under, during the financial year.
24. The amount borrowed by the Company during the financial year ending 31st March 2014 are within the borrowing limits of the Company and that necessary resolutions as per section 293(1)(d) of the Act, have been passed in duly convened Extra Ordinary General Meeting held on March 08, 1995.
25. The Company has not made any loans or advances, investments, or given guarantees or provided securities to other bodies corporate falling within the provisions of 372A of the Act and consequently no entries have been made in the Register kept for the purpose
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was/were no prosecution initiated against or Show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under Section 418 of the Act.

For **Rabi Narayan & Associates**
Company Secretaries

Rabi Narayan Pal
Partner
C.P.No: 3480

Place : Chennai
Date: 01.08.2014

**ANNEXURE TO SECRETARIAL COMPLIANCE CERTIFICATE 'A'****M/s. KANCHI KARPOORAM LIMITED,****Registers and Returns, as Maintained by the Company / Registrar and Share Transfer Agent (*)**

Sl. No.	Name of Register Under	Section
1	Register of Members/Index of Members (*)	150/151
2	Register of Transfer of Shares(*)	
3	Minutes Book of Board of Directors/ Committee of the Board	193
4	Minutes Books of General Body of shareholders	193
5	Register of Directors, MD and Secretary	303
6	Register of Directors' Shareholdings	307
7	Register of Contracts and Disclosure	301
8	Copy of Annual Returns	163
9	Register of Charges and copies of instruments creating charges	143/136

ANNEXURE TO SECRETARIAL COMPLIANCE CERTIFICATE 'B'**M/s. KANCHI KARPOORAM LIMITED,**

Forms and Returns as filed by the Company with the Registrar of companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2014.

S. No.	Forms/Returns	Filed under Section	Date and status of filling
1	Form 23D	Filed U/s.233B with regard to Appointment for conducting Cost Audit of the Company for the year ended 31.03.2013	S21296405 19.06.2013 No Delay
2	Form-66	Filed under section 383A for the year ended 31-03-2013.	Q11162062 14.09.2013 No Delay
3	Form 23	Filed U/s.192 for Special Resolutions for (1) Revision salary of Mr. Suresh Shah, Managing Director - The basic salary shall be in range of 90,000 to 2,00,000 per month. The re-appointment for further period of three (03) years w.e.f 01.10.2013 , (2) Revision salary of Mr.Deepesh Shah, Whole time Director - The basic salary shall be in range of 80,000 to 2,00,000 per month.The re-appointment for further period of three (03) years w.e.f 01.10.2013 , (3) To enlist the equity shares of the company with BSE (SME) Stock Exchange and (4) To delist the equity shares of the Company with Delhi Stock Exchange and Ahmedabad Stock Exchange at the Annual General Meeting held on 12.09.2013.	B86002516 04.10.2013 No Delay
4	Form 25C	Filed U/s.269 for Re-appointment of Mr.Suresh Shah, as Managing Director of the company for the period of Three years with effect from 01.10.2013 at the annual general meeting held on 12.09.2013.	B86003977 04.10.2013 No Delay
5	Form 25C	Filed U/s.269 for Re-appointment of Mr.Deepesh Jain, as Whole-time Director of the company for the period of Three years with effect from 01.10.2013 at the annual general meeting held on 12.09.2013.	B86003183 04.10.2013 No Delay
6	Form 8	Filed U/s.125, for the Modification of charge on 24.09.2013 created in favour of Bank of India for Rs.13,00,00,000/-.	B86597135 11.10.2013 No Delay



S. No.	Forms>Returns	Filed under Section	Date and status of filling
7	Balance sheet / Form-23AC & 23ACA (XBRL)	Filed U/s 220(1) for the year ended 31-03-2013.	Q13354287 12.10.2013 No Delay
8	Form-A-XBRL	Filed U/s 209(1)(d), 600(3)(b) of the and relevant Cost Accounting Records Rules, 2011 compliance report for the financial year 2012-13.	S24254971 22.10.2013 No Delay
9	Form-XBRL	Filed U/s. 233B(4), 600(3)(b) with regard to Financial year covered by the cost audit report from 01.04.2012 to 31.03.2013	S24274284 22.10.2013 No Delay
10	Annual Return / Form-20B	Filed U/s 159 for the Annual General Meeting held on 12-09-2013 Financial year ended 31.03.2013.	Q22661185 09.11.2013 No Delay
11	Form 8	Filed U/s.125, for the Modification of charge on 26.11.2013 created in favour of Bank of India for Rs.14,50,00,000/-.	B92905397 03.01.2014 Delay
12	Form-32	Filed U/s.303(2) for Appointment of Mr.Venkateswaran Krishnaswamy as Additional Director of the company with effect from 18.02.2014.	B96992243 25.02.2014 No Delay
13	Form-32	Filed U/s.303(2) for Change in designation of Mr.Arun V Shah as Whole-time Director of the company with effect from 01.03.2014.	C00011213 20.03.2014 No Delay
14	Form-5INV	Filed Rule 3 of the Investor Education and Protection Fund Rules, 2012, Statement of unclaimed and unpaid amounts for the financial year end 31.03.2013.	S29611548 20.03.2014 No Delay
15	Form 25C	Filed U/s.269 for Re-appointment of Mr.Arun V Shah, as Whole-time Director of the company with effect from 01.03.2014 at the upto the ensuing annual general meeting.	C00011270 20.03.2014 No Delay
16	Form-62	Filed U/s.58A with regard to Statement in lieu of Advertisement at the meeting held on 05th March, 2014.	C00233262 21.03.2014 No Delay
17	Form-5INV	Filed Rule 3 of the Investor Education and Protection Fund Rules, 2012, Statement of unclaimed and unpaid amounts for the financial year end 31.03.2012.	S20900635 24.04.2013 No Delay

Regional Directors, Southern Region Bench, Chennai

1	Form 24A	Filed U/s. 297 with regard to approval of contract with M/s.Suresh Industries for a period of Three (03) years with effect from 27.06.2013	B77294833 20.06.2013 No Delay
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Ministry of Corporate Affairs

1	Form 23C	Filed U/s. 233B(2) with regard to appointment of M/s.N.Sivashankaran&Co as cost auditor of the Company for the year ended 31-03-2013	S20895496 26.04.2013 Delay
2	Form 23C	Filed U/s. 233B(2) with regard to appointment of M/s. N.Sivashankaran&Co as cost auditor of the Company for the year ended 31-03-2014	S21409081 28.06.2013 No Delay

Company Law Board : Nil

**REPORT ON CORPORATE GOVERNANCE****1. Company's Philosophy on Corporate Governance**

The Company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them by adopting the best practices.

The Company believes that good corporate governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximizing value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision, while upholding the core values of transparency, integrity, honesty and accountability.

The Corporate Governance philosophy is further strengthened with the adherence to our company Business Excellence Model as a means to drive excellence, the Balanced Scorecard methodology for tracking progress on long term strategic objectives and the Code of Conduct, which articulates the values, ethics and business principles and serves as a guide to the Company, its directors and employees, supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the said Code, a Code of Conduct for Prevention of Insider trading, a Code of Corporate Disclosure Practices, a Whistle Blower Policy, a Fair Practices Code, an Affirmative Action Policy, a Policy against Sexual Harassment in the Workplace and an Occupational Health and Safety Management System.

2. Board of Directors

The Board of Directors, along with the Committees of the Board, provides leadership and guidance to the Company's Management and directs, supervises and controls the activities of the Company. The size of the Board is commensurate with the size and business of the Company. At present, the Board comprises of Six Directors namely Mr. Suresh Shah, Mr. Dipesh S Jain, Mr. Arun V Shah, Mr. Narasimhan Raghu, Mr. S. Srinivasan and Mr. K. Venkateswaran. Mr. Suresh Shah is the Managing Director and he works under the direction, control and supervision of the Board of Directors. Mr. Dipesh S Jain, Mr. Arun V Shah are the two Whole Time Directors and the other three Directors are Non Executive Director & Independent Directors. In addition to that the company in compliance with the provision of section 149(1) of the Companies Act, 2013 proposed to appoint a women Non Executive Director in the Board at the ensuing Annual General Meeting. The Board members possess requisite skills, experience and expertise that are required to take decisions, which are in the best interest of the Company. Board Meetings of the Company are generally chaired by Mr. Suresh Shah.

Policy formulation, evaluation of performance and control functions vest with the Board. During FY 2013-14, eighteen Board Meetings were held. The details of Directors, their attendance at Board Meetings and at the previous Annual General Meeting of the Company are, given below:

Name of Director	Category	No. of Board Meetings in the Year during respective tenure of Directors		Attendance of Last AGM	Number of directorships held in the Indian Companies	Number of Board Committee memberships Held in other companies
		Held	Attended			
Suresh Shah Managing Director	Executive Promoter	18	17	Yes	Nil	Nil
Arun V Shah Whole Time Director	Executive Promoter	18	18	Yes	Nil	Nil
Dipesh S Jain Whole Time Director	Executive Promoter	18	18	Yes	Nil	Nil
S. Srinivasan	Non Executive Independent	18	18	Yes	Nil	Nil
Narasimhan Raghu	Non Executive Independent	18	7	No	Nil	Nil
K. Venkateswaran	Non Executive Independent	18	3	No	1	1

As per the disclosures furnished none of the Directors are disqualified to act as directors of this Company or any other public Company under Section 164 and other applicable provisions of the Companies Act, 2013. As per the listing Agreement requirement, the letter of appointment of the independent director along with the detailed profile has already disclosed on the company's websites www.kanchikarpooram.com. and to the Stock Exchanges.



The requisite information as prescribed under Clause 49 of the Listing Agreement is placed before the Board from time to time and is generally provided as part of the Agenda papers of the Board Meeting and /or is placed at the table during the course of the meeting.

The Board of Directors met Eighteen (18) times on 12.04.2013, 30.05.2013, 15.06.2013, 24.06.2013, 14.08.2013, 02.09.2013, 13.09.2013, 23.09.2013, 21.10.2013, 15.11.2013, 20.11.2013, 26.11.2013, 10.01.2014, 14.02.2014, 18.02.2014, 28.02.2014, 05.03.2014 and 27.03.2014 and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed, in the Minutes Book maintained for the purpose.

The Company paid Sitting fees for attending meetings of the Board and the Committees of the Board within the maximum prescribed limits (as recommended by the Nomination and Remuneration Committee and approved by the Board), as per details given below:

Name of the Directors	Sitting fee paid for attending Board and Committee meeting during FY 2013-14
Shri.Suresh Veerchandji Shah	-
Shri.Dipesh S Jain	-
Shri.Arun V Shah	102500
Shri.S.Srinivasan	115000
Shri.K.Venkateswaran	15000
Shri.Narasimhan Raghu	25000

The Annual General Meeting for the financial year ended on 31.03.2013 was held on 12.09.2013 after giving due notice to the members of the Company and other concerned and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.

Except Mr.S.Srinivasan, Mr.Narasimhan Raghu and Mr.K.Venkateswaran all other Directors are related to each other. Equity Shares held by the Director.

Name of the Directors	No. of Equity Shares as on 31st March 2014
Shri.Suresh Shah	337,300
Shri.Arun V Shah	38,500
Shri.Dipesh S Jain	2,12,850

There are no other Shares or convertible instruments held by any other Directors

Information about the Directors proposed to be appointed/re-appointed required to be furnished pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges is forming part of the Notice of the 21st Annual General Meeting to the Shareholders of the Company.

3. COMMITTEE OF THE BOARD

The Board of Directors has constituted Three committees: Audit Committee, Nomination and Remuneration Committee and Shareholder/ Investors Grievance Committee. The roles and responsibilities assigned to these committees are covered under the terms of reference approved by the Board and are subject to review by the Board from time to time.

The Minutes of Meetings of Audit Committee, Remuneration committee and Shareholder Grievance Committee are placed before the Board for their Information and Noting. The details as to the composition, terms of reference, number of meetings and related attendance etc of these committees are given below:

4. Audit Committee

The Audit Committee comprises Shri.K.Venkateswaran (Chairman), Shri.Narasimhan Raghu and Shri.S.Srinivasan. All the Members are financially literate and having accounting and financial management experience. Shri.K.Venkateswaran who is a independent Director is the Chairman of the Audit committee. The Board has adopted an Audit Committee Charter which defines the composition of the Audit Committee, its authority, role, responsibilities and powers and reporting functions in accordance with clause 49 of the listing agreement and is reviewed from time to time. Given below, inter alia, is a gist of the responsibilities of the Audit Committee:

- Recommend appointment and removal of Auditors and their remuneration, nature and scope of audit
- Ensure adequacy of internal controls and compliances and recommend remedial measures
- Review adequacy of the Internal Audit function
- Oversee financial reporting process and disclosure of financial information.
- Review financial statements before submission to the Board
- Act as the link between Statutory Auditors, Internal Auditors and Board of Directors
- Review accounting policies
- To oversee the vigil mechanism



- Monitor compliance with company's Code of Conduct
- Review significant related party transactions
- Review findings of internal investigations / fraud / irregularities, etc.
- Carry out additional functions as contained in the listing agreement or other regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee.
- Responsibilities under the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices

During the financial year ended 31st March 2014, four Audit Committee Meetings were held on 29.05.2013, 13.08.2013, 14.11.2013 and 13.02.2014. All members were present at these meetings. The composition of the Audit Committee and the details of meetings attended by the Members are as follows:

Name of the members	Category	Designation	No. of Meetings	
			Held	Attended
S.Srinivasan	Independent	Chairman	04	04
Arun V Shah	Executive	Member	04	04
Dipesh S Jain	Executive	Member	04	04
Shri.Narasimhan Raghu	Independent	Member	04	Nil
Shri.K.Venkateswaran	Independent	Member	04	Nil

Your Company has re-constituted Audit Committee under the Chairmanship of Shri.S.Srinivasan who has stepped down from the office of Chairman wef 1st April 2014 and its place Shri.K.Venkateswaran has designated as Chairman of the Audit Committee. The present Audit committee consisting of Shri.K.Venkateswaran , Shri.S.Srinivasan and Shri.Narasimhan Raghu .

** Shri.Narasimhan Raghu and Shri.K.Venkateswaran were appointed as directors of the company on 20.11.2013 and 18.02.2014 respectively and they were inducted as a member in the reconstituted Audit Committee in place of Shri.Arun V Shah and Shri.Dipesh S Jain with effect from 18.02.2014 respectively.

Chairman of the Audit Committee had attended the last Annual General Meeting. Chief Financial Officer, Statutory Auditors and Internal Auditors are invitees to the Audit Committee and Shri.S.Veeraraghava Narasimhan, compliance officer is the Secretary to the Committee.

The audited quarterly results, annual audit plan, compliance with accounting standards, audit observations on the Annual Accounts and other related matters are discussed by the Audit Committee. The significant observations of the Internal Audit Department and the follow-up action on matters raised are also reviewed by the Committee. The Audit Committee has considered and reviewed the quarterly audited accounts & annual accounts for the year 2013-2014 and recommended to the Board for its adoption

5. Nomination and Remuneration Committee

Your company in compliance with Clause 49 of the Listing Agreement and in order to give effect to the provisions of Section 178 of the Companies Act, 2013, the Nomination Committee and the Remuneration Committee were re-constituted as a single Committee viz. the Nomination and Remuneration Committee, on 18.02.2014 comprised of three non executive independent Directors namely Shri.Narasimhan Raghu (Chairman), Shri.S.Srinivasan and Shri.K.Venkateswaran.

The earlier Remuneration Committee was functioning under the Chairmanship of Shri.S.Srinivasan who has stepped down from the office of Chairman wef 1st April 2014 and its place Shri.Narasimhan Raghu has designated as Chairman of the Committee.

Shri.Narasimhan Raghu and Shri.K.Venkateswaran were appointed as directors of the company on 20.11.2013 and 18.02.2014 respectively and they were inducted as a member in the reconstituted Nomination and Remuneration Committee in place of Shri.Arun V Shah and Shri.Suresh Veerchand ji Shah with effect from 18.02.2014 respectively.

The Board has adopted an Charter which defines the composition of the Nomination and Remuneration Committee, its authority, role, responsibilities and powers and reporting functions in accordance with clause 49 of the listing agreement and is reviewed from time to time.

Given below, inter alia, is a gist of the responsibilities of the Nomination and Remuneration Committee:

- 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
- Formulation of criteria for evaluation of Independent Directors and the Board



-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.

Chairman of the Nomination and Remuneration Committee had attended the last Annual General Meeting

Executive Directors

during the financial year 2013-14 the Board of Directors of the Company comprised of Six(06) Directors out of which Three Executive Directors and Three other Non-Executive Independent Directors

Shri.Suresh Shah, Managing Director
Shri.Dipesh S Jain, Whole-time Director and
Shri.Arun V Shah, whole-time Director

The Details of Remuneration paid to Executive Directors during the financial year 2013-14 is given below:-

Name	Salary and perquisites Service Contract in Rs.	Service Contract
Shri.Suresh Shah Chairman and Managing Director	Rs.1677430	Re-appointed for a period of 3 years from 01.10.2013 to 30.09.2016
Shri.Dipesh S Jain Whole-time Director	Rs.1524447	Re-appointed for a period of 3 years from 01.10.2013 to 30.09.2016
Shri.Arun V Shah Whole-time Director	Rs.60780	Re-appointed at their Board meeting held on 28.02.2014 with effect from 01.03.2014 upto the ensuing Annual General Meeting and seeking for Re-appointment

Remuneration includes salary, Company's contribution to Provident Fund, commission

- a) Remuneration paid/payable to the Non-Executive Independent Directors for the financial year ended March 31, 2014 is given as under

Name of the Directors	Sitting Fees
Shri Arun V Shah	102500
Shri.S.Srinivasan	115000
Shri.Narasimhan Raghu	25000
Shri.K.Venkateswaran	15000
Total	257500

- b) Statement showing number of Equity Shares of ` 10/- each of the Company held by the present Non-Executive Independent Directors as on March 31,2014

Name	No. of shares held (as on 31.03.2014)	% of Holding
Shri.S.Srinivasan	NIL	NIL
Shri.Narasimhan Raghu	NIL	NIL
Shri.K.Venkateswaran	NIL	NIL

- c) The Company currently does not have any stock option scheme

There has been no materially relevant pecuniary transaction or relationship between the Company and its non-executive independent Directors during the year

4. Stakeholders Relationship Committee

Pursuant to the provisions of section 178 of the Companies Act, 2013, the Committee was re-named as the 'Stakeholders Relationship Committee' to, inter alia, consider and resolve grievances/complaints of security holders of the Company.

The Stakeholders Relationship Committee comprises Shri Srinivasan (Chairman), Shri Narashiman Raghu and Shri. K.Venkateswaran and was constituted to specifically look into the redressal of shareholder and investor complaints such as transfer and transmission of shares of shares, issue of duplicate certificates, non-receipt of balance sheet, non-receipt of declared dividends etc. In addition, the Committee looks into other issues including status of dematerialization / re-dematerialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.



Shri.Narasimhan Raghu and Shri.K.Venkateswaran were appointed as directors of the company on 20.11.2013 and 18.02.2014 respectively and they were inducted as a member in the reconstituted 'Stakeholders Relationship Committee' in place of Shri.Arun V Shah and Shri.Suresh Veerchandji Shah with effect from 18.02.2014 respectively.

During the year under review, the Committee met 23 times to deliberate on various matters referred above and for redressal of investors complaints.

Shri.S.Veeraraghava Narasimhan, compliance officer, acts as Secretary to the Committee and also responsible for redressal of investors complaints.

The Company has been receiving various correspondences from shareholders and required information/documents are furnished immediately to the satisfaction of shareholders. At the beginning of the year, no complaint was pending. During the year ended 31st March, 2014, the Company received one complaint from an investor and replied to the satisfaction of the investor. No investor complaint was pending on 31st March 2014

Risk Management Committee

In terms of Clause 49(VI) of the Listing Agreement the company has duly constituted the Risk Management Committee comprises Mr. K.Venkateswaran(Chairman), Mr.Suresh Shah and Mr. Na Raghu and is constituted to review the Risk Management process in the Company in various areas.

7. Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL), Central Depository Services (India) Ltd. (CDSL) and in physical form with the total number of paid-up/listed capital. The audit confirms that the total paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL

8. Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of this Annual Report

9. General Body Meetings: Details of the Last 3 AGM are given as under:

Year	Date	Time	Venue
2010-11	30.11.2011	11.00 A.M	M.M.Hotels, No.65/66, Nellukara Street, Kanchipuram 631 052
2011- 12	28.09.2012	11.00 A.M.	M.M.Hotels, No.65/66, Nellukara Street, Kanchipuram 631 052
2012- 13	12.09.2013	11.00.A.M	M.M.Hotels, No.65/66, Nellukara Street, Kanchipuram 631 052

All the resolutions including special resolutions as set out in the respective notices were passed by the shareholders. No extra-ordinary meeting was held during the year. No special resolutions were put through postal ballot last year. There is no proposal to pass any resolution by postal ballot.

10. Disclosures

(i) Related Party Transactions

In terms of the Accounting Standard – 18 "Related Party Disclosures", as notified under the Companies (Accounting Standards) Rules, 2006, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in Notes to the Accounts forming part of this Annual Report.

The Company has not had any transactions of material nature with the Directors and / or their relatives, promoters, management during the year ended on March, 31, 2014 that may have conflict with the interests of the Company

(ii) Compliances by the Company

The Company has complied with all the requirements of the Listing Agreement of the Stock Exchanges as well as regulations and guidelines of SEBI, No Penalties have been levied or strictures have been passed by SEBI, Stock Exchanges or any other Statutory Authority on matters relating to capital markets, in the last three years.

(iii) Code of Conduct for Directors and Senior Management

The Board of Directors of the Company has adopted a Code of Conduct for Directors and Senior Management and the same is posted on the website of the Company

**(iv) CEO / CFO certification**

Shri.Suresh Veerchandji Shah, Managing Director and Mr.K.C.Radhakrishnan, CFO of the Company have certified to the Board with regard to the compliance made by them in terms of Clause 49 (V) of the Listing Agreement and the certificate forms part of Annual Report. The Company complies with all the requirements of the Listing Agreement including the mandatory requirements of Clause 49 of the Agreement.

11. Whistle Blower Policy

The Company does not have any Whistle Blower Policy. However any employee, if he/she so desires, would have free access to meet Senior Level Management and Report any matter of concern

12. Means of Communication**(i) Quarterly and Half-yearly financial results**

The Quarterly, Half yearly and Annual Results of the Company are available on the website of the Company www.kanchikarpooram.com. The Half Yearly and Annual Results of the Company are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and are published in a leading English daily newspaper.

The 'Investors' section on the Company's website keeps the investors updated on material developments in the Company by providing key and timely information such as Financial Results, Annual Reports, etc. Members also have the facility of raising queries/making complaints on share related matters through a facility provided on the Company's website.

The Company has a dedicated help desk with email ID: investorcare@kanchikarpooram.com in the Secretarial Department for providing necessary information to the investors.

(ii) Official News Releases

Official news releases are made whenever it is considered necessary

(iii) The presentation made to institutional investors or to the analysts

There were no specific presentation made to the investors or analysts during the year

13. Shareholder's Information

Financial Calendar (Tentative)

Financial year	April 1, 2014 to March 31, 2015
Quarter Ending June 30, 2014	End of August, 2014*
Quarter Ending September 30, 2014	End of October, 2014*
Quarter Ending December 31, 2014	End of January, 2015*
Quarter Ending March 31, 2015	End of April or May, 2015*
Year ending 31.03.2015	End of May 30, 2015*
Annual General Meeting	Within 6 months of the close of the financial year In accordance with Section 96 of the Companies Act, 2013.
Dates of book closure	Wednesday, the 10th day of September 2014, at 11.00 A.M. at M.M.Hotels, 65/66, Nellukara Street, Kanchipuram -631502
Listing on Stock Exchange and payment of listing fee	The Madras Stock Exchange Limited, Chennai, The Delhi Stock Exchange Association Limited, New Delhi and The Ahmedabad Stock Exchange limited, Ahmedabad Listing fees have been paid

* Tentative

14. Stock Market Data

Since shares of the Company are not traded in any of the Stock Exchanges where the Company's shares are listed, the data in this regard is not available.

Distribution of Shareholding as on 31st March, 2014



Share holding	Share holders		Share Amount		
	Rs.	Number	% of Total	Rs.	% of Total
1 - 5000		3011	84.86	50,76,500	12.25
5001 - 10000		212	5.98	19,38,500	4.68
10001 - 20000		125	3.52	20,45,000	4.94
20001 - 30000		63	1.78	16,50,000	3.98
30001 - 40000		22	0.62	8,33,000	2.01
40001 - 50000		36	1.01	17,69,000	4.27
50001 - 100000		38	1.07	30,82,000	7.44
100001 - and Above		41	1.16	2,50,28,000	60.42
Total		3548	100	4,14,22,000	100

Category	No. of Shares (Physical & Electronic)	Percentage
Resident	1854260	44.77
NRI	3,67,500	8.87
Corporate Body	1,34,340	3.24
Mutual Funds	35,200	0.85
Promoters	1750900	42.97
Total	41,42,200	100

Dematerialization of Shares as on 31st March, 2014.

The Equity Shares of the Company are compulsorily traded in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has arrangement with National Securities Depository Ltd. (NSDL) as well as Central Depository Services (India) Limited (CDSL) for demat facility

Particulars	No. of Shares	Percentage (in Share Capital)
Held in dematerialized Form in CDSL	15,41,510	37.21
Held in dematerialized Form in NSDL	3,39,590	8.19
Physical	22,61,100	54.60
Total Number of Shares	41,42,200	100.00

Registrar and Share Transfer Agents (RTA):

(For share transfers and other communication relating to share certificates, Dividend and change of address)
M/s.Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai – 600 002
Phone No.044-28460390-94, Fax No.28460129, Email: investor@cameoindia.com & cameo@cameoindia.com

Compliance Officer's Details

Shri. S.Veeraraghava Narasimhan
Assistant Company Secretary
Regd Off: Parandur Road, Karaipettai Post, Kanchipuram TK-631552, Tamil Nadu
Correspondence Address : No.1, Barnaby Avenue, Barnaby Road, Kilpauk, Chennai-600010
Telephone No : 044-26401914/15/16/17
Fax No : 0091-44-26401919, Email: investorcare@kanchikarpooram.com



In order to facilitate investor servicing, the Company has designated an e-mail-id: investorcare@kanchikarpooram.com mainly for registering complaints by investors

Share Transfer System:-

The Shares transfers are registered and returned within a period of 15 days of receipt if documents are in order. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL within 4 working days. The share transfers are approved by the Share Transfer Committee which meets as and when required. There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR

15. Code of Conduct

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and that the same has been hosted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct, as on 31st March, 2014. The Company's Chairman cum Managing Director's declaration to this effect forms a part of this report

16. Code for Prevention of Insider Trading

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. This code is applicable to all Directors / officers / designated employees. The Code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information

17. Legal Proceedings:

There is no legal proceeding pending against the Company.

18. Address for Correspondence: All correspondences should be addressed to**KANCHI KARPOORAM LIMITED**

Regd Off: Parandur Road, Karaipettai Post, Kanchipuram TK-631552, Tamil Nadu
Correspondence Address : No.1, Barnaby Avenue, Barnaby Road, Kilpauk, Chennai-600010
Telephone No : 044-26401914/15/16/17
Fax No : 0091-44-26401919, Email: investorcare@kanchikarpooram.com

DECLARATION ON CODE OF CONDUCT

To, The Members of **KANCHI KARPOORAM LIMITED**

In accordance with Clause 49 sub-clause I (D) of The Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management Personnel including myself, have affirmed compliance to their respective Codes of Conduct, as applicable for the Financial Year ended

Place: Chennai
Date: 01.08.2014

Sd/-
Suresh Shah
Managing Director

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE FROM AUDITORS

The Certificate dated the 01st day of August, 2014, obtained from Statutory Auditors of the Company For M/s.R.Subramanian and Co, Chartered Accountants, Chennai confirming compliance with the Corporate Governance requirements under Clause 49 of the Listing Agreement, is annexed hereto.

Place: Chennai
Date: 01.08.2014

Sd/-
Suresh Shah
Managing Director

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

We, Shri.Suresh Veerchandji Shah, Managing Directors, and Shri.K.C.Radhakrishnan, , Chief Financial Officer, to the best of our knowledge and belief, certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended March,31,2014 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading:
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) to the best of our knowledge and belief, no transactions entered into by the company during the year ended March,31,2014 are fraudulent, illegal or in violation of the company's code or conduct.



- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and Audit Committee that:
- (i) there have not been any significant changes in internal controls over financial reporting during the year ended March,31,2014.
- (ii) There have not been any significant changes in accounting policies during the year ended March,31,2014 and that the same have been disclosed in the notes to the financial statements: and
- (iii) there has not been any instance during the year ended March,31,2014 of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

Place: Chennai
Date: 01.08.2014

-sd-
K.C. Radhakrishnan
Chief Financial Officer

-sd-
Suresh Shah
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Kanchi Karpooram Limited

We have examined the compliance of conditions of Corporate Governance by Kanchi Karpooram Limited ("the Company"), for the year ended 31 March 2014, as stipulated in Clause 49 of the Listing Agreements of the said company with stock exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of 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 by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that such compliance 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 M/s.R.Subramanian and Co,
Chartered Accountants,
(Registration No.FRN 004137S)

Sd/-
M.Rajasekar
Partner
M.No.228637

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The management of Kanchi Karpooram Limited presents its analysis covering performance of the Company for the year 2013-2014 and the business outlook for the future. The business outlook performance is based on the current business environment and do not include any economic variation.

INDUSTRIAL PRODUCT AND DEVELOPMENT:

The Company's major product namely camphor is used for religions purposes. There exists demand and supply gap. It is estimated that the major consumption of camphor is in Tamil Nadu. The plant is situated well within agglomeration limits of the city and logistically well placed.

GENERAL RISKS:

The main raw materials for manufacturing Camphor is imported and hence subject to foreign exchange fluctuations. Abnormal exchange variations may have adverse effect of the profits of the Company.

OPERATIONAL RISKS:

The major raw material is distilled from tree produce and hence subject to weather conditions and other natural calamities. The raw material's cost depends on supply and demand gap because of wide range of useage of raw material.

FINANCIAL RISKS

The Company's business involves procurement of raw materials in the right time which warrants working capital. The Company has conscious approach to risks in terms of procurement of raw materials at competitive rates keeping in mind the availability of finance.

REGULATORY AND LEGAL RISKS

The Company is exposed to environmental regulations. The Company has adequate system and controls to mitigate various risks.

HEALTH, SAFETY, SECURITY ENVIRNMENT

The Company accords high priority to health, safety and environment. The Company has one manufacturing plant in operation. The Company emphasize on marinating a healthy and safe environment in and around its factory. Safety awareness is inculcated through regular safety awareness program.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

Employer – employee relation remained cordial during the year. Training and development of employees continue to be an area of prime importance. The total number of people employed in the company as on March 31, 2014 was 56 (Fifty Six).

RISK MANAGEMENT:

The Company's risk management is based on various risks and proper risks assessment and strategic measures by continuous monitoring the procedural establishment for this purpose which are in line with normal industrial practice.

INTERNAL CONTROL SYSTEM

Keeping in mind the size of the Company the business control procedure ensures maximum efficiency and compliance. The procedure also produces well documented policies, authorization and approval etc.

The Company has achieved a turnover of Rs.5660.38 lakhs as compared to 5116.04 lakhs and has profit after tax Rs.270.40 lakhs as compared to Rs.129.52 lakhs profit in the previous year.

MANAGERIAL DEVELOPMENT AND HUMAN RESOURCES AND INDUSTRIAL RELATION

There are no material changes in Human resources front during the year under review.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report contains forwarding looking statements based upon the data available with the company, assumptions with regard to global economic conditions, the government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Therefore, it is cautioned that the actual results may materially differ from those expressed or implied in the report.

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

-sd-

-sd-

SURESH SHAH
Managing Director

ARUN V SHAH
Whole Time Director

Place : Chennai
Date : 01/08/2014

**INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2014**

TO

THE MEMBERS OF KANCHI KARPOORAM LIMITED**Report on Financial Statements**

We have audited the accompanying financial statements of **KANCHI KARPOORAM LIMITED** which comprise of the Balance Sheet as at 31st March 2014, Statement of Profit & Loss and 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

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). The responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 of 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 31st March 2014
- 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 for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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, 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. Read with the general Circular 15/2013 dated 13th September 2013 of the or corporate officers in respect of section 133 of the Companies Act, 2013.
 - (e) On the basis of written representations received from the directors as on 31st March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **R. Subramanian and Company**
Chartered Accountants
FRN 004137 S

Sd/-
M. RAJASEKAR (Partner)
M. No. 228637

Place : Chennai
Date : 30.05.2014

**KANCHI KARPOORAM LIMITED****ANNEXURE REFERRED TO IN PARAGARAPH 1 OF OUR REPORT OF EVEN DATE**

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
2. Some of the fixed assets were physically verified during the year by the Management in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations give to us, no material discrepancies were noticed on such verification.
3. Fixed assets disposed off during the year do not affect the concept of going concern.
4. Inventories were physically verified during the year by the management at reasonable intervals.

In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management was reasonable and adequate in relation to the size of the Company and the nature of its business.

In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

5. The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the companies Act 1956.
6. In our opinion and according to the information and explanations given to us, the company has not availed loans from parties listed in the register maintained under section 301 of the Companies Act, 1956.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and there was no continuing failure to correct any major weakness.
8. In our opinion and according to the explanations given to us, transactions made in pursuance of contracts or arrangements requiring entry in the registers maintained under section 301 of the Companies Act, 1956 have been entered.
The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
9. The company has no fixed deposits requiring compliance of provisions of Section 58 and 58 AA or any other relevant provisions of the act and the rules framed there under.
10. In our opinion and according to the information and explanation given to us the company has an internal Audit system commensurate with the size and nature of its business.
11. We have broadly reviewed the books and records maintained by the company relating to the materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for Maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956. We are at the opinion that prima facie the prescribed accounts and records have been made and maintained for the period under audit. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

12. According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues, Including Provident Fund, Employee's State Insurance, Incometax, Sales-tax, Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities during the year. However, occasional delays have been observed in remitting the statutory dues. The company has no dues towards Investor Education and Protection Fund and Wealth Tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, were in arrears as at 31.03.2014 for a period more than six months from the date they became payable.

According to the information and explanations given to us, there are no dues of Sales tax, income Tax, Customs Duty, Wealth Tax, Excise Duty and cess which have not been deposited on account of any dispute.



- According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, were in arrears as at 31.03.2014 for a period more than six months from the date they became payable.
- According to the information and explanations given to us, there are no dues of Sales tax, income Tax, Customs Duty, Wealth Tax, Excise Duty and cess which have not been deposited on account of any dispute.
13. The Company has no accumulated losses at the end of the year. The Company has not incurred any cash loss during the financial year and the immediately preceding financial year.
 14. The Company has not defaulted in the payment of dues to financial institutions, banks or debenture holders during the year.
 15. The Company has not granted any loan or advance on the basis of security by way of pledge of shares, and other securities.
 16. In our Opinion and according to the information and explanations given to us the Company is not a Chit Fund, mutual Benefit fund or Society.
 17. The Company is not dealing in trading of shares, securities, debentures and other investments and therefore the provisions of clause 4 (xiv) of the Companies (Auditor's Report) order, 2003 are not applicable this Company.
 18. In our opinion and according to the information and explanations given to us the Company has not given any guarantee for any loans taken by others from banks and financial institutions during the financial year.
 19. To the best of our knowledge and belief and according to the information and explanations given to us, new term loan availed by the Company during the year have been applied for the purposes for which loans were obtained.
 20. According to the cash flow statement and other records examined by us and the information and explanation given to us, funds on short term basis have been used for long term investments.
 21. The Company has not allotted shares during the financial year to companies covered in the register maintained under section 301 of the Companies Act, 1956.
 22. According to the information and explanations given to us and the records examined by us, no debentures have been issued during the year.
 23. To the best of our knowledge and belief and according to the information and explanations given to us or by the Company no fraud on or by the company was noticed or reported during the financial year.
 24. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the financial year.

For R. Subramanian and Company

Chartered Accountants

FRN 004137 S

Sd/-

M. RAJASEKAR

Partner

M. No. 228637

Place : Chennai

Date : 30.05.2014



BALANCE SHEET AS AT 31.03.2014

	PARTICULARS	NOTE	AS AT 31-03-2014 Rs.	AS AT 31-03-2013 Rs.
A.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	a) Share capital	1	41422000	41422000
	b) Reserves and surplus	2	32151793	12380961
			73573793	53802961
2	Non-current liabilities			
	a) Long-term borrowings	3	1051600	1020706
			1051600	1020706
3	Current liabilities			
	a) Short-term borrowings	5	117805997	115159242
	b) Trade payables	6	32261244	10803786
	c) Other current liabilities	7	21993750	15328562
	d) Short-term provisions	8	16085641	11536200
			188146632	152827790
	TOTAL		262772025	207651457
B.	ASSETS			
1.	Non-current Assets			
	a) Fixed Assets			
	i) Tangible assets	9	27046107	32178688
	ii) Intangible assets	9	-	8392
	b) Deferred Tax Asset (Net)	4	1185219	(962768)
	c) Long Term Loans and Advances	10	1674149	1632422
			29905475	32856734
2.	Current ASSETS			
	a) Inventories	11	142336936	106829492
	b) Trade receivables	12	44924459	29341406
	c) Cash and bank balances	13	18587051	16396621
	d) Short-term loans and advances	14	25573625	20103392
	e) Other current assets	15	1444479	2123812
			232866550	174794723
	Total		262772025	207651457
	Significant Accounting Policies & Notes to accounts	23&24		

For and on behalf of the Board, of **KANCHI KARPOORAM LTD.**Sd/-
Suresh Shah
Managing Director
Sd/-
Arun V Shah
DirectorPlace : Chennai
Date : 30.05.2014As per our Report of even date attached,
For **R.SUBRAMANIAN AND COMPANY**

Chartered Accountants.

FRN 004137S

Sd/-

M. RAJASEKAR

Partner

M.No.228637



STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31.03.2014

	PARTICULARS	NOTE	AS AT 31-03-2014 Rs.	AS AT 31-03-2013 Rs.
1	Revenue from operations (Gross) Less: Excise Duty Revenue from operations (Net)	16	63,57,69,786 (6,97,31,623) 56,60,38,163	57,46,89,799 (6,30,85,412) 51,16,04,387
2	Other Income	17	15,52,504	14,61,501
3	Total Revenue (1+2)		56,75,90,667	51,30,65,888
4	Expenses:			
	a) Cost of materials consumed	18	42,74,53,713	36,81,62,835
	b) Change in inventories of finished goods and work-in-progress	19	(2,02,46,929)	79,62,882
	c) Employee benefits expense	20	2,17,37,561	1,94,77,694
	d) Finance Cost	21	1,21,30,968	1,56,40,963
	e) Depreciation and amortization expense	9	1,23,11,728	1,17,86,872
	f) Other expenses	22	7,12,57,459	6,99,99,494
	Total Expenses		52,46,44,500	49,30,30,740
5	Profit / (Loss) before taxation (3 - 4)		4,29,46,167	2,00,35,148
6	Tax expenses:			
	a) Current tax		1,88,00,000	90,00,000
	b) Reversal of Previous Year Provision no longer required		(7,45,928)	
	b) Deferred tax reversal		(21,47,987)	(19,17,616)
	Total Tax expense for the year		1,59,06,085	70,82,384
7	Profit/(Loss) for the year after taxation (5 - 6)		2,70,40,082	1,29,52,764
8	Earnings per equity share: Weighted average no. of equity shares outstanding during the year		41,42,200	41,42,200
	a) Basic (Rs. Per Share)		6.53	3.13
	b) Diluted (Rs. Per Share)		6.53	3.13
	Significant Accounting Policies & notes to accounts	23 & 24		

For and on behalf of the Board, of **KANCHI KARPOORAM LTD.**Sd/-
Suresh Shah
Managing Director
Sd/-
Arun V Shah
DirectorPlace : Chennai
Date : 30.05.2014As per our Report of even date attached,
For **R.SUBRAMANIAN AND COMPANY**

Chartered Accountants.

FRN 004137S

Sd/-

M. RAJASEKAR

Partner

M.No.228637



NOTE FORMING PART OF FINANCIAL STATEMENTS AS ON 31.03.2014

PARTICULARS	AS AT 31-03-2014		AS AT 31-03-2013	
	Number of Shares	Rs.	Number of Shares	Rs.
Note 1: Share capital				
a) Share capital				
Authorised share capital				
Equity shares of Rs. 10/- each	5000000	50000000	5000000	50000000
Issued, subscribed and paid up capital				
Equity shares of Rs. 10/- each	4142200	41422000	4142200	41422000
b) Reconciliation of number of shares outstanding				
Shares Outstanding as at 1st April 2013/1st April 2012	4142200	41422000	4142200	41422000
Shares Outstanding as at 31st March 2014/31st March 2013	4142200	41422000	4142200	41422000
c) List of share holdings more than 5% of total shares issued by the company				
	Number of Shares held	% of holdings	Number of Shares held	% of holdings
Suresh Shah a.k.a V.Suresh	337300	8.14%	267300	6.45%
Dipesh S Jain	212850	5.14%	212850	5.14%
Pushpa S Jain	274500	6.63%	161500	3.90%
Varshaa Goal	318400	7.69%	248400	6.00%
Note 2: Reserves and surplus				
a) Capital reserve				
State Government Subsidy		4074000		4074000
b) General reserve				
i) Opening Balance		6000000		1000000
ii) Transfer from Statement of Profit and Loss		15000000		5000000
iii) Closing Balance		21000000		6000000
c) Surplus in statement of profit and loss				
i) Opening Balance		2306961		1623447
ii) Add/(Less): Net Profit / (Loss) for the Year		27040082		12952764
iii) Less: Proposed Dividend (Rs 1.5 per Share)		(6213300)		(6213300)
iv) Less: Dividend Distribution Tax		(1055950)		(1055950)
v) Less: Transferred to General Reserve		(15000000)		(5000000)
		7077793		2306961
TOTAL (a+b+c)		32151793		12380961
Note 3: Long-Term Borrowings				
Term Loans from Bank		1051600		1020706
TOTAL		1051600		1020706
Secured		1051600		1020706
Total		1051600		1020706



PARTICULARS	AS AT 31-03-2014	AS AT 31-03-2013
Current Maturities of Long Term Debt Ground under "other Current Liabilities	915363	915782
a) HP Loan from Axis Bank Rs.5.28lacs of which Rs.2.65 lacs under long term borrowings and Rs.2.63lacs under current maturity. Balance installments – 23. Rate of Interest 10.25%		
b) HP Loan from HDFC bank Rs.4.92 lacs of which Rs.0.74 lacs under long term borrowings and Rs.4.18 lacs under current maturity Balance Installments – 14. Rate of Interest 11%		
c) HP Loan from HDFC bank Rs.9.46 lacs of which Rs.7.12 lacs under long term borrowings and Rs.2.34 lacs under current maturity. Balance installments-42 Rate of Interest 11.01%		
Note 4: Deferred tax Asset / liability (Net)		
a) Deferred tax liability		
Timing Difference on Depreciation of Fixed Assets		1008045
b) Deferred tax asset:		
Timing Difference on Depreciation of Fixed Assets	(1185219)	
On Account of others		(45277)
Net Deferred tax (Asset)/Liability	(1185219)	962768
Note 5: Short Term Borrowings (Secured)		
a) Working capital Loan from Bank of India*	61633818	55302495
b) Buyer's Credit *	56172179	59856747
* The entire borrowing limits availed/to be availed by the company from Bank of India are secured primarily by First Charge in favour of the Bank, of all the company's inventory Book Debts, Plant & Machinery, both present and future, and collaterally secured by First Charge on the company's Factory Land and Buildings, by way of Equitable Mortgage. The entire facilities are also collaterally secured by personal property of Director's and also guaranteed by all Directors of the Company and by two relatives of Directors.		
TOTAL	117805997	115159242
Note 6: Trade Payables		
	32261244	10803786
The Company has not received information from vendors regarding their status under Micro, Small and Medium Enterprises Act, 2006. The disclosures relating to amounts unpaid as at the year end together with interest payable / paid under this act has not been given.		
TOTAL	32261244	10803786
Note 7: Other current liabilities		
a) Current maturities of long term debt	915363	915782
b) Interest accrued but not due on borrowings	122221	85989
c) Unclaimed dividends	1365501	631201
d) Other payables		
i) Statutory	2592273	2125645
ii) Others	16998392	11569945
TOTAL	21993750	15328562
Note 8: Short term provisions		
a) Provision for employee benefits		
i) Gratuity	-	29070
ii) Leave Encashment	16391	139552
b) Provision for taxation	8800000	4098328
c) Proposed Dividend (Including dividend distribution tax)	7269250	7269250
TOTAL	16085641	11536200



Note 9: Fixed Assets

	Gross Block				Depreciation				Net Block	
	Balance as on 01.04.2013	Additions	Deletions	Balance as on 31.03.2014	Upto 01.04.2013	Depreciation for the period	Adjustments	As on 31.03.2014	Net Block 31.03.2014	Net Block 31.03.2013
TANGIBLE ASSETS										
Land	812918	0	0	812918	0	0	0	0	812918	812918
Buildings	22101102	0	0	22101102	10610127	738177	0	11348304	10752798	11490975
Plant & Machinery	94773499	5498236	0	100271735	81303861	9989193	0	91293054	8978681	13469638
Electrical Installations	7391983	29770	320000	7101753	6377250	732997	320000	6790247	311506	1014733
Lab Equipments	421581	0	0	421581	332135	43591	0	375726	45855	89446
Vehicles	6204476	1257833	697350	6764959	1684927	615703	450668	1849962	4914997	4519549
Air Conditioners	609950	146270	0	756220	262800	32605	0	295405	460815	347150
Office Equipments	677624	82300	0	759924	350222	33988	0	384210	375714	327402
Computers	1858479	187545	0	2046024	1751601	30760	0	1782361	263663	106878
Furnitures	790167	215482	0	1005649	790167	86322	0	876489	129160	0
Sub-Total	135641779	7417436	1017350	142041865	103463090	12303336	770668	114995758	27046107	32178689
INTANGIBLE ASSETS										
Software	88189			88189	79797	8392		88189		8392
Total	135729968	7417436	1017350	142130054	103542887	12311728	770668	115083947	27046107	32187081
Previous Year										
Tangible Assets	128615783	7824853	798857	135641779	91960395	11772577	269882	103463090	32178688	36655388
Intangible Assets	88189	0	0	88189	65501	14296	0	79797	8392	22688
Total	128703972	7824853	798857	135729968	92025896	11786873	269882	103542887	32187080	36678076



PARTICULARS	AS AT 31-03-2014	AS AT 31-03-2013
Note 10: Long term loans and advances		
Long Term Loans And Advances (Unsecured, considered good)		
a) Security Deposits	16,74,149	16,32,422
TOTAL	1674149	1632422
Note 11: Inventories		
Inventories		
a) Raw Materials (Including Goods under Clearance)	7,60,74,893	6,22,59,538
b) Work in progress	3,68,91,523	2,65,58,849
c) Finished Goods	2,55,18,001	1,56,03,746
d) Store, Fuel & Packing Materials	38,52,519	24,07,359
TOTAL	14,23,36,936	10,68,29,492
Note 12: Trade receivables		
Trade Receivables (Unsecured and Considered good)		
a) For a period exceeding six months	2,153	35,508
b) Others	4,49,22,306	2,93,05,898
TOTAL	4,49,24,459	2,93,41,406
Note 13: Cash and bank balances		
Cash and Bank Balances		
a) Cash and cash equivalents		
Cash on hand	4,25,038	67,922
Balance with scheduled banks in current a/c	16,24,548	4,97,498
b) Other bank balances		
Balance with scheduled banks in deposit a/c held as margin money	1,51,71,964	1,52,00,000
Earmarked Balances with bank a/c - Dividend Warrant	13,65,501	6,31,201
TOTAL	1,85,87,051	1,63,96,621
Note 14: Short term loans and advances		
Short term loans and advances (Unsecured, considered good)		
a) Security deposits	88,000	1,53,000
b) Balances with govt authorities	2,43,35,627	1,75,88,673
c) Prepaid expenses	1,98,495	2,77,408
d) Loans and advances to employees	8,13,718	8,52,000
e) Others	1,37,785	12,32,311
TOTAL	2,55,73,625	2,01,03,392
Note 15: Other Current asset Other current assets		
a) Interest accrued but not due on deposits with banks	7,00,235	4,88,729
b) Claims receivable	4,54,400	16,31,812
c) Others	2,89,844	3,271
TOTAL	14,44,479	21,23,812



PARTICULARS	AS AT 31-03-2014	AS AT 31-03-2013
Note 16: Revenue from operations		
a) Revenue from sale of products (Gross)		
Sale of products		
i) Camphor	48,64,96,333	43,33,57,180
ii) Dipentine	7,78,01,787	7,10,10,513
iii) Others	7,00,96,867	6,91,86,987
	<u>63,43,94,987</u>	<u>57,35,54,680</u>
b) Other operating revenues (Gross)		
Sale of Scrap	13,74,799	11,35,119
TOTAL	<u>63,57,69,786</u>	<u>57,46,89,799</u>
Note 17: Other Income		
Other Income		
a) Interest income from bank	13,04,691	14,02,602
b) Interest income from others	44,610	58,899
c) Profit on sale of asset	1,52,202	
d) Miscellaneous Income	51,001	-
TOTAL	<u>15,52,504</u>	<u>14,61,501</u>
Note 18: Cost of materials consumed		
Raw materials		
Imported :		
a) -Oleo Pine Resin	2,24,38,269	1,65,91,741
b) -Commercial Alpha Pinene	25,96,30,240	25,35,66,487
c) -Gum Turpentine	3,27,06,424	1,18,62,635
d) -Other Raw Materials	5,91,19,832	2,55,38,780
Indigenous		
e) Other Materials	5,35,58,948	6,06,03,192
TOTAL	<u>42,74,53,713</u>	<u>36,81,62,835</u>
Note 19: Change in inventories of finished goods, work in progress		
Finished goods and work in progress		
a) Opening stock	4,21,62,595	5,01,25,477
b) Closing stock	(6,24,09,524)	(4,21,62,595)
c) Change in inventory	<u>(2,02,46,929)</u>	<u>79,62,882</u>
Note 20: Employee benefits expense		
Employee benefits expense		
a) Salaries and wages	1,91,94,033	1,75,65,927
b) Contribution to provident and other funds	12,18,420	8,88,215
c) Staff welfare expenses	13,25,108	10,23,552
TOTAL	<u>2,17,37,561</u>	<u>1,94,77,694</u>



PARTICULARS	AS AT 31-03-2014	AS AT 31-03-2013
Note 21: Finance Costs		
a) Interest expense on cash credit and others	86,33,939	1,20,71,182
b) Bank charges	34,97,029	35,69,781
TOTAL	1,21,30,968	1,56,40,963
Note 22: Other expenses		
a) Consumption of stores & spare parts	15,92,685	18,72,477
b) Power and fuel	3,34,31,830	3,64,95,749
c) Rent	13,30,138	10,57,289
d) Repairs to buildings	47,56,754	8,35,935
e) Repairs to machinery	61,19,037	41,64,786
f) Repairs to others	20,84,642	19,45,129
g) General expenses	21,25,021	40,10,102
h) Insurance	7,24,288	7,68,722
i) Rates and taxes	4,57,480	7,71,975
j) Communication expenses	5,19,217	4,38,287
k) Travelling and conveyance	18,88,359	7,08,470
l) Printing and stationery	4,00,366	3,27,361
m) Selling expenses	80,05,714	87,89,466
n) Donations and contributions	6,33,703	1,54,500
o) Legal and professional charges	21,98,283	22,83,000
p) Payments to auditors	4,89,500	3,88,000
q) Net loss on foreign currency transactions and translation	45,00,442	47,21,176
r) Loss on fixed assets sold	-	2,67,070
TOTAL	7,12,57,459	6,99,99,494

NOTE – 23:**(I) BACKGROUND**

Kanchi Karpooram Limited ('the company') was incorporated on 31-01-1992. We are South India's first and largest producer of a variety of Terpene and Paper chemicals. Our Products range from Turpentine-based chemicals like Camphor, Dipentine, Iso Bornyl Acetate, etc. to Gum rosin and its derivatives such as Fortified Rosin, Ester Gum, Phenolic / Maleic Resins and many others. We are keen to develop and expand our customer base to provide industries with a stable, continuous supply of raw materials from a totally new source. We are committed to product quality assurance so as to be the innovative and reliable supplier you need.

(II) SIGNIFICANT ACCOUNTING POLICIES:**1. SYSTEM OF ACCOUNTING**

- A. The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis, unless and otherwise specified.

The financial statements have been prepared in all material respects in compliance of Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006.

- B. Financial statements are prepared under historical cost convention and on "going concern" basis.

**2. USE OF ESTIMATES**

The preparation of financial statements requires management of the company to make certain estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of financials and reported amounts of income and expenses during the year. Example of such estimate include provision for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment.

The Management believes that these estimates and assumptions are reasonable and prudent. However actual results could differ from these estimates. Differences between actual results and estimates are recognized in the period in which they materialize.

3. INCOME RECOGNITION:

Revenue from sale of goods is recognized upon dispatch of goods. Sales are accounted net of Excise Duty, returns, sales tax and freight.

Interest income is recognized using time proportion method.

4. FIXED ASSETS & DEPRECIATION:

1) Fixed Assets are carried at cost less Accumulated depreciation and impairment loss if any. Cost includes all expenses incurred to bring the assets to its present location and condition and allocated preoperative expenditure during construction period. Income earned out of Trial operations is netted against the cost of the Project.

2) Depreciation on assets is provided using Straight Line Method based on rates specified in Schedule XIV of the Companies Act, 1956 or on estimated useful lives of assets estimated by the management, whichever is higher. Individual assets costing less than Rs.10,000/- are fully depreciated in the year of purchase.

3) Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their recoverable amount.

4) Borrowing Costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

5. INVENTORIES:

1) Raw materials and Stores and spares are valued at cost under First – In – First – Out (FIFO) method.

2) Finished goods are valued at cost (including applicable overheads and excise duty) or net realizable values whichever is lower.

3) Work-in-progress value is derived from the value of finished goods less estimated cost of work still to be completed.

4) Modvat / Cenvat / Service Tax credits on materials / capital items are availed on purchases / installation of assets respectively and utilized for payment of excise duty on goods manufactured and the unutilized credit is carried forward in the books.

6. FOREIGN CURRENCY TRANSLATIONS:

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies at the yearend are recognized in the profit and loss account.

7. EMPLOYEE BENEFITS:

a. Short term employee benefits are charged off at the undiscounted amount in the year in which related service is rendered.



b. The company has a defined benefit gratuity plan funded with Life Insurance Corporation of India, covering eligible employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or in termination of employment. Liability for unavailed leave is actuarially valued and is funded with Life Insurance Corporation of India.

8. TAXES ON INCOME:

Taxes expense comprises of current tax and Deferred Tax. Current income tax is provided on the taxable income for the period as per the provisions of Income Tax Act, 1961. Deferred Tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods.

9. EARNINGS PER SHARE:

The earnings considered in ascertaining earnings per share comprises of the net profit after tax before exceptional items. The number of shares used in computing earnings per share is the weighted average number of shares outstanding during the year. Diluted earnings per share comprises of weighted average number of share considered for deriving basic earnings per share as well as dilutive potential equity shares.

10. LEASES:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rental payments made under operating leases are charged to the statement of Profit and Loss.

NOTE – 24:

**ADDITIONAL NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31.3.2014**

1. Contingent liabilities not provided for: as on 31.03.2014 Rs.NIL (P.Y. Rs.NIL)

2. Related party disclosures:

Key Management Personnel (KMP):

Mr. Suresh V Shah	– Managing Director
Mr. Arun V Shah	– Director
Mr. Dipesh S. Jain	– Whole Time Director

Other Related parties:

M/s.Suresh Industries	– Significant influence in the company
M/s. Ambika Industries	– Significant influence in the company
Mukesh Goal	– Relative of Director
Pushpa S. Jain	– Relative of Director

**Details of Transactions with related parties:**

Name	Nature of Transaction	Total Amount		Amount Outstanding at year end	
		2013 - 14 (Rs)	2012 - 13 (Rs)	31.03.2014 (Rs)	31.03.2013 (Rs)
Suresh Shah	Remuneration Including Contribution to Provident Fund and other perquisites	16,77,430	14,61,699	1,18,513	NIL
Dipesh Jain	Remuneration Including Contribution to Provident Fund and other perquisites	15,18,447	12,40,965	1,06,827	NIL
Arun V Shah	Remuneration Including Contribution to Provident Fund and other perquisites	60,780	NIL	60,780	NIL
Arun V Shah	Sitting Fees, Conveyance & Out of Pocket Expenses	1,02,500	NIL	1,02,500	NIL
Mukhesh Goal	Consultancy Charges	6,60,000	6,60,000	NIL	NIL
Mukhesh Goal	Telephone Charges	4,803	1,272	713	NIL
Pushpa S.Jain	Interest	NIL	2,56,750	NIL	NIL
Suresh Industries	Sales	1,03,06,393	72,78,457	2,76,741	4,79,048
Ambika Industries	Sales	2,24,602	NIL	11,061	NIL

3.Basis for calculation of Basic and Diluted Earnings per Share:

Description	2013 - 2014	2012 - 2013
Net Profit / (Loss) as per Statement of Profit and Loss (in Rs.)	2,70,40,082	1,29,52,764
Weighted Average Number of Equity Shares (in Nos.)	41,42,200	41,42,200
Face Value (in Rs.)	10.00	10.00
Basic and Diluted Earnings per Share	6.53	3.13

Audit Fees

Description	2013 - 2014	2012 - 2013
Statutory audit fee	Rs.3,50,000	Rs.3,50,000
Tax Audit fee	Rs.25,000	Rs.25,000
Other Services	Rs.1,14,500	Rs.13,000
TOTAL	Rs.4,89,500	Rs.3,88,000

**4. Segment Reporting:**

The company is engaged in single business of camphor and allied products and in single geographical segment and hence 'Segment Reporting' is not applicable.

5. Employee Benefits:

The following table sets forth the status of unavailed leave and Gratuity plan of the Company and of the amounts recognized in the Balance Sheet and Profit and Loss account:

Assumptions:

Particulars	Gratuity		Leave Encashment	
	2013 - 14	2012 - 13	2013 - 14	2012 - 13
Discount Rate (Per Annum)	9.10%	8%	9.10%	8%
Salary Escalation	7.00%	7%	7.00%	7%

Changes in present value of obligation:

Particulars	Gratuity		Leave Encashment	
	2013 - 14	2012 - 13	2013 - 14	2012 - 13
Present Value of obligations as at the beginning of the year	28,28,601	23,37,360	4,12,771	3,14,475
Interest Cost	2,57,056	1,86,989	33,847	25,158
Current Service Cost	2,83,550	1,93,987	1,15,067	1,34,096
Benefits Paid	(7,617)	-	-	-
Actuarial gain/(loss) on plan assets	(2,10,759)	(80,485)	(99,633)	(58,512)
Present Value of obligations as at the end of the year	31,50,831	26,37,851	4,62,052	4,15,217

Changes in fair value of plan assets

Particulars	Gratuity		Leave Encashment	
	2013 - 14	2012 - 13	2013 - 14	2012 - 13
Fair Value of Plan Assets at the beginning of the year	26,08,781	19,65,371	2,75,665	2,52,904
Expected return on plan assets	2,49,815	1,79,175	30,226	22,761
Contributions	2,80,502	4,64,235	1,39,552	-
Benefits Paid	(7,617)	-	-	-
Actuarial gain/(loss) on plan assets	22,522	NIL	218	NIL
Fair Value of Plan Assets at the end of the year	31,54,003	26,08,781	4,45,661	2,75,665

**6. Amounts recognized in the Balance Sheet**

Particulars	Gratuity		Leave Encashment	
	2013 - 14	2012 - 13	2013 - 14	2012 - 13
Closing Balance of Present Value of Obligation	31,50,831	26,37,851	4,62,052	4,15,217
Closing Balance of Fair Value of Plan Assets	31,54,003	26,08,781	4,45,661	2,75,665
Unfunded Liability recognised in the Balance Sheet	(3,172)	29,070	16,391	1,39,552

7. Amounts recognized in Profit and Loss account

Particulars	Gratuity		Leave Encashment	
	2013 - 14	2012 - 13	2013 - 14	2012 - 13
Current Service Cost	2,83,550	1,93,987	1,15,067	1,34,096
Interest Cost	2,57,056	1,86,989	33,847	25,158
Expected return on plan assets	(2,49,815)	(1,79,175)	(30,226)	(22,761)
Net Actuarial Gain/(Loss)	(2,33,281)	(80,485)	(99,851)	(58,512)
Expenses recognised in the Profit and Loss Account	57,510	1,21,316	18,837	77,981

8. Foreign Exchange Earnings and outgo

Description	2013 - 2014 Rs.	2012 - 2013 Rs.
EXPENDITURE		
Foreign Travel Expenditure	4,13,886	1,75,690
Membership fee & Subscriptions	3,60,166	2,94,887
INCOME		
Export of goods	1,13,63,939	1,84,87,276

Value of Imports: (on CIF Basis)

Description	2013 - 2014 Rs.	2011 - 2012 Rs.
Raw Material	32,76,08,504	27,76,12,109
Total	32,76,08,504	27,76,12,109

Cost of Material Consumed

Description	2013 - 2014 Rs.	2011 - 2012 Rs.
Oleo Pine Resin	2,24,38,269	1,65,91,741
Commercial Alpha Pinene	25,96,30,240	25,35,66,487
Gum Turpentine	3,27,06,424	1,18,62,635
Others	11,26,78,780	8,61,41,972
Total	42,74,53,713	36,81,62,835



Description	2013 - 2014		2012 - 2013	
	%	Rs.	%	Rs.
Imported	87.47%	37,38,94,765	83.54%	30,75,59,643
Indigenous	12.53%	5,35,58,948	16.46%	6,06,03,192
Total	100%	42,74,53,713	100%	36,81,62,835

9. Operating Lease:

a) A sum of Rs.7,90,138 (P.Y. Rs.5,17,289) has been debited to Rent account, being the rent paid on premises which has been taken on operating lease.

b) Maximum lease payments in respect of vehicle purchased under hire purchase (Future Commitment) is as under:

Particulars	As on 31.03.2014 Rs.	As on 31.03.2013 Rs.
Not later than One Year	915363	915782
Later than One Year and not later than Five Years	1051600	1020706
Later than Five Years	Nil	Nil

10. Details of remuneration to - Managing Director

Particulars	Year 2013 - 2014 Rs.	Year 2012 - 2013 Rs.
Salary	13,80,000	11,40,000
Company's Contribution to Provident Fund	9,360	9,360
Other Perquisites	2,88,070	3,12,339
Total	16,77,430	14,61,699

Whole Time Directors

Particulars	Year 2013 - 2014 Rs.	Year 2012 - 2013 Rs.
Salary	12,96,000	9,96,000
Company's Contribution to Provident Fund	10,140	9,360
Other Perquisites	2,73,087	2,35,605
Total	15,79,227	12,40,965

11. Amounts due and outstanding to be credit to the Investor Education and Protection Fund as at 31.03.2014 is Rs.NIL

12. Confirmation of balances has been received from substantial parties.

13. Previous year figures have been regrouped, wherever necessary and rounded off to the nearest rupee.



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
A . CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		4,29,46,167		2,00,35,148
Adjustments for:				
Depreciation	1,23,11,728		1,17,86,872	
Finance cost - Interest	1,21,30,968		1,56,40,963	
Interest Income	(14,00,302)		(14,61,501)	
Unrealised Exchange Variation (Net)	(24,59,954)		(10,45,156)	
(Profit)/Loss on sale of assets (net)	(1,52,202)	2,04,30,238	2,67,070	2,51,88,248
Operating Profit / (Loss)before Working Capital changes		6,33,76,405		4,52,23,396
(Increase) / Decrease in trade Inventories	(3,55,07,444)		86,91,656	
(Increase) / Decrease in trade receivables	(1,56,06,678)		59,13,164	
(Increase) / Decrease in other receivables	(48,32,626)		1,00,53,386	
Increase / (Decrease) in trade and other payables	2,76,42,614	(2,83,04,134)	(4,10,85,061)	(1,64,26,855)
Cash generation from operations		3,50,72,271		2,87,96,541
Less: Interest Paid on Working Capital borrowings and bank charges	(1,12,11,805)		(1,42,29,567)	
Less: Income tax paid	(1,33,52,400)	(2,45,64,205)	(65,01,672)	(2,07,31,239)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		1,05,08,065		80,65,302
B. CASH FLOW FROM INVESTING ACTIVITIES				
Interest received	14,00,302		14,61,501	
(Increase) / Decrease in Fixed deposits	28,036		8,50,000	
Purchase of Fixed Assets	(74,17,436)		(78,24,853)	
Sale of Fixed Assets	3,98,884		2,61,905	
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(55,90,214)		(52,51,447)
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Increase / (Decrease) on loans from bank	47,54,816		(18,55,405)	
Interest on borrowings	(9,19,163)		(14,11,396)	
Dividend and Dividend Distribution tax paid	(72,69,250)		-	
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(34,33,597)		(32,66,801)
NET INCREASE IN CASH AND CASH EQUIVALENTS		14,84,253		(4,52,946)
Cash and Cash equivalents at the beginning		5,65,420		10,18,366
Cash and Cash equivalents at the close		20,49,673		5,65,420
		14,84,253		(4,52,946)
Note: Cash and cash equivalents consist of Cash on Hand, Balance with Banks. Cash equivalents included in Cash Flow Statement comprises the following Balance Sheet amounts:				
(I) Balances with banks - in Current accounts		16,24,635		4,97,498
(ii) Cash on hand		4,25,038		67,922
		20,49,673		5,65,420

For and on behalf of the Board,
of **KANCHI KARPOORAM LTD.**

Sd/- Sd/-
Suresh Shah Arun V Shah
Managing Director Whole-Time Director

Place : Chennai
Date : 30.05.2014

As per our Report of even date,
For **R.SUBRAMANIAN AND COMPANY**

Chartered Accountants.

FRN 004137S

Sd/-
M. RAJASEKAR

(Partner)

M. No. 228637



Kanchi Karpooram Limited

CIN:L30006TN1992PLC022109

Regd. Office : Parandur Road, Enathur Village, Karaipettai Post, Kanchipuram - 631 552.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

21ST ANNUAL GENERAL MEETING

Wednesday, the 10th day of September 2014

Name of the member(s):	
Registered address:	
E-mail ID:	
Folio No/Client ID:	DP ID :

I/We being the member(s) of KANCHI KARPOORAM LIMITED having shares of _____, hereby appoint:

1) Name:..... Address.....

Email ID..... Signature.....or failing him;

2) Name:..... Address.....

Email ID..... Signature.....or failing him;

3) Name:..... Address.....

Email ID..... Signature.....or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Wednesday, the 10th day of September 2014, at 11.00 A.M. at M.M.Hotels, 65/66, Nellukara Street, Kanchipuram, TamilNadu-631502 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:



Resolution No	Resolutions	Optional *	
		For	Against
1.	Adoption of Financial Statements of the Company for the year ended March 31, 2014		
2.	Declaration of Dividend		
3.	Re-appointment of Shri.Arun V Shah who retires by rotation and being eligible, offers himself for re-appointment.		
4.	Appointment of M/s.R.Subramanian and Co, Chartered Accountants, as the statutory Auditor of the Company Special Business		
5.	To appoint Shri.Narasimhan Raghu as an Independent Director		
6.	To appoint Shri.K.Venkateswaran as an Independent Director		
7.	To appoint Shri.S.Srinivasan as an Independent Director		
8.	To re-appoint Shri.Arun V Shah as a Whole Time Director		
9.	To appoint Mrs.Pushpa S Jain as Woman Director		
10.	To borrow money		
11.	To charge on assets of the Company		
12.	To consider and approve Related Party Transactions under Section 188 of the Companies Act, 2013		
13.	To substitute the Articles of Association		
14.	Listing with Bombay Stock Exchange/National Stock Exchange		

Signed this ----- day of ----- 2014.

Affix Revenue
Stamp not
less than
Rs.1/-

Signature of Shareholders -----

Notes

1. This form of proxy in order to be effective should be completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the resolutions, explanatory statements and notes, please refer to the notice of the 21st Annual General Meeting
3. * It is optional to put "---" in the appropriate column against the resolution indicated in the box. If you leave the "For" or "against" column blank against any or all resolution, your proxy will be entitled to vote in the manner as he/she may think appropriate.
4. Please complete all details including details of members in the above box before submission.

**Kanchi Karpooram Limited**

CIN:L30006TN1992PLC022109

Regd. Office : Parandur Road, Enathur Village, Karaipettai Post, Kanchipuram - 631 552.

Email info@kanchikarpooram.com, website : www.kanchikarpooram.com

ATTENDANCE SLIP**21ST ANNUAL GENERAL MEETING**

DP ID No.		Folio No.	
Client ID No.		No. of Shares	
Name of the Member			
Name of the Proxy			

I hereby record my presence at the 21st Annual General Meeting of the Members of Kanchi Karpooram Limited will be held on Wednesday, the 10th day of September 2014, at 11.00 A.M. at M.M.Hotels, 65/66, Nellukara Street, Kanchipuram -631502

Note:

Member's / Proxy's Signature

1. Please complete the Folio / DP ID – Client ID No. and name, sign this Attendance Slip and handover at the Attendance Verification Counter at THE MEETING HALL
2. Electronic copy of the Annual Report for FY 2013-14 and the Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2013-14 and the Notice of the Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or who have requested for a hard copy.

✂-----Cut along the line-----✂

E-VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	USED ID	PASSWORD*
140812036	Folio No. / Client ID	PAN Number / Bank Account No / Date of Birth

* Physical Shareholders who does not have PAN should enter No. of Shares they hold as their password if they prefer to exercise e-voting

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
03rd September, 2014 (from 10.00 A.M)	04th September, 2014 (upto 06.00 P.M)

Note : Please refer the details and instructions form integral part of the Notice for the Annual General Meeting

REGISTERED POST/ COURIER

If undelivered, Please return to:

KANCHI KARPOORAM LIMITED

Chennai Office: No.1, Barnaby Avenue, Barnaby Road,
Kilpauk, Chennai - 600 010, Tamil Nadu.

CIN:L30006TN1992PLC022109

Regd. Office : Parandur Road, Enathur Village, Karaipettai Post, Kanchipuram - 631 552.

Email info@kanchikarpooram.com, website : www.kanchikarpooram.com