

KAMARHATTY COMPANY LIMITED

DIRECTORS :

G. UKIL (Independent Director)
A. DASGUPTA (Independent Director)
S. Z. HUSSAIN (Independent Director)
S. K. AGARWAL (Managing Director)
H. NAHATA (Executive Director)

CFO :

P. RAKSHIT

AUDITORS :

KHANDELWAL RAY & CO.
(Chartered Accountants)

BANKERS

ALLAHABAD BANK
Corporate Finance Branch, Kolkata - 700 001

REGISTERED AND ADMINISTRATIVE OFFICE :

16A, BRABOURNE ROAD, KOLKATA - 700 001

MILLS :

1. 1, GRAHAM ROAD, KOLKATA - 700 058
2. GARJI, PO- BIGHATI
DIST- HOOGHLY, PIN-712124

REGISTRARS & SHARE TRANSFER AGENTS :

M/S. MAHESHWARI DATAMATICS PVT. LTD.
23, R.N.MUKHERJEE ROAD, 5TH FLOOR, KOLKATA - 700 001
Phone : 033-2248 2248, Fax : 033-2248 4787
Email : mdpldc@yahoo.com

KAMARHATTY COMPANY LIMITED

KAMARHATTY COMPANY LIMITED

Registered Office: 16A, Brabourne Road, Kolkata - 700001
Phone No.: 91-33-4021 1900 Fax: 91-33-4021 1999 Email: jute@kamarhatty.com

CIN: L51109WB1877PLC000361

NOTICE

TO THE SHAREHOLDERS

Notice is hereby given that 220th Annual General Meeting of the members of Kamarhatty Company Limited will be held on Saturday, the 7th day of September, 2019 at 11:00 A.M. at the registered office of the Company at 16A, Brabourne Road, Kolkata – 700 001 to transact the following business :-

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, including the Audited Standalone Balance Sheet as on that date, the standalone Statement of Profit & Loss, Cash Flow Statement, Changes in Equity for the year ended on that date and the Reports of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Shri Sushant Kumar Agarwal (DIN: 00546541), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

- 3) To consider and if thought fit, to pass with or without modification(s) the following, as an Special Resolution:-

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and 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(s) thereof, for the time being in force), approval be and is hereby accorded to re-appoint Shri Sushant Kumar Agarwal (DIN: 00546541) as a Managing Director of the Company, for a further period of 5(five) years from the expiry of his present term of office, that is, with effect from April 01, 2019 on the terms and conditions including remuneration as set out in the Statement annexed to this resolution, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, Shri Sushant Kumar Agarwal shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration.

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

“RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs.25,000/- (Rupees twenty five thousand) plus applicable taxes and re-imbusement of out of pocket expenses at actuals as approved by the Board of Directors payable to M/s SPK Associates, Cost Accountants who have been re-appointed by the Board of Directors as Cost Auditors to conduct the audit of cost accounts of the Company for the financial year ending 31st March, 2019 be and is hereby ratified.”

KAMARHATTY COMPANY LIMITED

5) As an Ordinary Resolution:

“RESOLVED THAT Shri Gautam Ukil (DIN: 00056595), a Non-Executive Director be and is hereby re-appointed as an Independent Director of the Company, in accordance with the provision of Sections 149,150 & 152 of the Companies Act,2013 read with Schedule IV and any other applicable provisions of the Act, and Rules made thereunder (including any Statutory modification(s) or re-enactment thereof for the time being in force), to hold office for a period of five consecutive years from the conclusion of this Annual General Meeting to the conclusion of the Company’s Two hundred twenty fifth Annual General Meeting of the Company.”

6) As an Ordinary Resolution:

“RESOLVED THAT Shri Syed Zakir Hussain (DIN: 00079558), a Non-Executive Director be and is hereby re-appointed as an Independent Director of the Company, in accordance with the provision of Sections 149,150 & 152 of the Companies Act,2013 read with Schedule IV and any other applicable provisions of the Act, and Rules made thereunder (including any Statutory modification(s) or re-enactment thereof for the time being in force), to hold office for a period of five consecutive years from the conclusion of this Annual General Meeting to the conclusion of the Company’s Two hundred twenty fifth Annual General Meeting of the Company.”

7) As an Ordinary Resolution:

“RESOLVED THAT Shri Ashis Dasgupta (DIN: 01993187), a Non-Executive Director be and is hereby re-appointed as an Independent Director of the Company, in accordance with the provision of Sections 149,150 & 152 of the Companies Act,2013 read with Schedule IV and any other applicable provisions of the Act, and Rules made thereunder (including any Statutory modification(s) or re-enactment thereof for the time being in force), to hold office for a period of five consecutive years from the conclusion of this Annual General Meeting to the conclusion of the Company’s Two Hundred twenty fifth Annual General Meeting of the Company.”

Regd. Office :-
16A, Brabourne Road
Kolkata – 700 001

By Order of the Board
For **Kamarhatty Company Limited**

A. Lakhotia
(Company Secretary)

Dated :- 29th May, 2019

KAMARHATTY COMPANY LIMITED

NOTES :

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting. In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, 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 such person shall not act as a proxy for any person or shareholder.
2. Members are requested to bring their copies of the Reports and Accounts to the meeting.
3. The relative Explanatory Statements, pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business under item no.4 are annexed hereto.
4. The Registers of Members and Share Transfer Books of the Company shall remain closed from 2nd September, 2019 to 7th September, 2019 (both days inclusive)
5. Members are requested to notify any change in their address immediately to the Company at the registered office of the Company at 16A, Brabourne Road, Kolkata – 700 001, or to its Registrars and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. Members/Proxies should bring the Attendance slip duly filled in for attending the meeting.
6. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their DPs. Members holding share in physical form are requested to submit their PAN to the Company.
7. The business set out in the Notice will be transacted through remote electronic voting system and the Company providing facility for voting by remote electronic means. Instructions and other information relating to remote e-voting are given in the Notice.

In compliance with the provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, members may be cast their vote on all the resolutions proposed to be considered in this Annual General Meeting by electronic means from a remote location (Remote e-voting) and the Company is pleased to provide to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by Remote E-voting. The Company has engaged services of M/s Central Depository Services Limited (CDSL) and the facility of casting the votes by the members using an electronic voting system from a place other venue of the AGM ("Remote E- Voting") will be provided by the said Central Depository Services Limited (CDSL) set-forth in the notice.

8. Members of the Company instead of casting their votes by the aforesaid "Remote E- voting" may cast their vote at the venue of Annual General Meeting through physical Ballot papers, which shall be made available at venue of the AGM and only such members attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting through ballot paper.
9. The members who have cast their vote by remote e- voting prior to the AGM may also attend the AGM but shall not be entitled to cast their Again.
10. The remote e- voting period commences on 4th September, 2019 and ends on 6th September, 2019. During this period members of the company holding shares either in physical form or in Dematerialized form, as on the cutoff date i.e 31st August, 2019 may cast their vote by remote e- voting. The remote e- voting module shall be disabled by CDSL for voting thereafter. Once the votes on a Resolution is cast by the members the members shall not be allowed to change it subsequently.

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11. The process and manner for remote e- voting are as under:

- (i) The voting period begins on 4th September, 2019 at 9 A.M. and ends on 6th September, 2019 at 5 P.M. During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 31st August, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" tab.
- (iv) Now, Enter your User ID
 - (a) For CDSL : 16 digits beneficiary ID,
 - (b) For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user, follow the steps given below :

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters e.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend, Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none">• If both the details are not recorded with the depository or Company please enter the Member ID / Folio Number in the Dividend Bank details field as mentioned in instruction (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

KAMARHATTY COMPANY LIMITED

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Company.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as promoted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) 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**.
- II. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 31st August, 2019.
- III. Any person who becomes a Member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. 31st August, 2019, may obtain the Sequence No. from RTA.
- IV. Ms. Sweety Kapoor, Practicing Company Secretary, (Membership No. FCS:5738) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in

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writing who shall countersign the same.

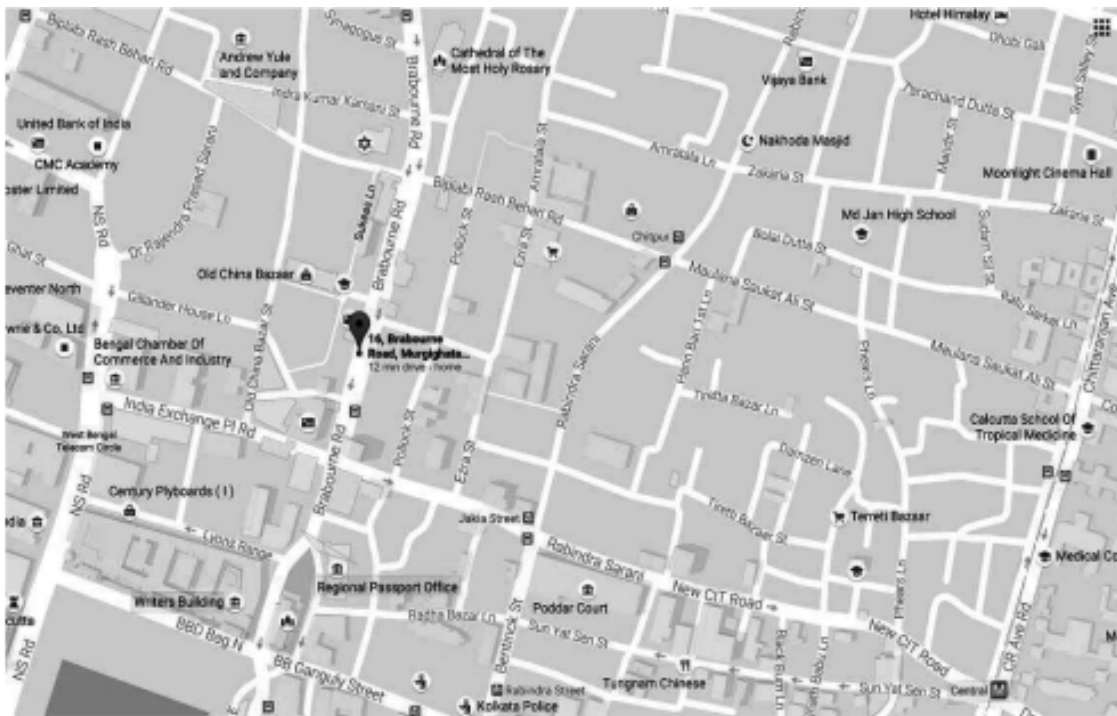
- VI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL www.evoting.cdsi.com immediately after the result is declared. The Company shall simultaneously forward the results to The Calcutta Stock Exchange Limited ("CSE"), where the shares of the Company are listed.
12. The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.
 13. Corporate Members are requested to send to the Company/RTA, a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
 14. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company for admission to the Meeting.
 15. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID Nos. for easy identification of attendance at the Meeting.
 16. Shareholders, who have not dematerialized their shares as yet, are advised to have their shares dematerialized to avail the benefits of paperless trading as well as easy liquidity, as the trading in shares of the Company is under compulsory dematerialized form.
 17. In all correspondence with the Company or the RTA, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.
 18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
 19. Members who wish to obtain any information on the Company or the Accounts for the financial year ended 31st March, 2019 may send their queries at the Registered Office of the Company at least 10 days before the Annual General Meeting.
 20. Members who are holding Shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the Share Certificates for consolidating their holding into one folio. The Share Certificates will be returned to the Members after incorporating requisite changes thereon.
 21. Electronic copy of the Annual Report 2019 and Notice are being sent to the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice 2019 are being sent in the permitted mode.
 22. SEBI vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 had directed all the Companies to make payment of dividend to the Shareholders through approved electronic mode, update the bank detail and obtain the copies of PAN Card of all the shareholders, which have not been registered with the Company. In view of the above, shareholders holding shares in physical form are requested to fill up the Bank details, E-mail Id and PAN Registration Form being sent with this Annual Report and send directly to M/s. Maheshwari Datamatics Pvt Ltd., 23, R.N.Mukherjee Road, Kolkata –

KAMARHATTY COMPANY LIMITED

700 001, our Registrar & Share Transfer Agent duly signed along with copy of PAN card(s) (self-attested) and original cancelled cheque leaf/attested bank passbook showing the name of 1st Shareholder Where shares are held in dematerialized form please visit/contact your Depository Participant (DP) and update your PAN and Bank details immediately.

Please also provide your Email ID, Phone/Mobile number enabling us to communicate by electronic means for prompt and hassle-free communication.

23. In line with “Green initiative” by government which encourages paper less holding, the safest possible way to hold shares in Dematerialization Form. Further as per SEBI Notification No. SEBI/LAD-NRO/ GN/ 2018/24 dated 8th June 2018 and BSE Circular No. LIST/COMP/15/2018-19 dated July 05, 2018 no sale or purchase except in case of transmission for transposition of securities will be allowed in physical form w.e.f. 180 days from the date of publication of the said notification in the official gazette. Therefore, we would like to suggest to you to kindly convert your shares from physical mode to demat mode as it will be beneficial to you. In case you do not have any demat account, you may contact your nearest Depository participant (DP) who will guide you in opening the same. Conversion of physical shares to dematerialized shares is a simple process.
24. The road map of the venue of the Meeting is given in the Notice. The prominent landmark of the venue is Tea Board.



**Venue of Annual General Meeting
Kamarhatty Company Limited
16A, Brabourne Road,
Kolkata- 700001**

KAMARHATTY COMPANY LIMITED

Explanatory Statement (pursuant to Section 102 of the Companies Act,2013)

ITEM NO. 2 (ORDINARY BUSINESS)

Details of the Director seeking re-appointment in forthcoming Annual General Meeting in pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given below

Name of Director	Date of Birth	Date of Appointment	Qualification	Experience in Specific Functional Areas	No. of Public companies in which outside Directorship is held	No of Shares in the Company	Designation
Mr Sushant Kumar Agarwal (DIN 00546541)	02/02/1962	03/01/1987	B.Com	Industrialist	4	2,86,000	Managing Director

ITEM NO. 3

Shri Sushant Kumar Agarwal was appointed by the Board of Directors as Managing Director of the Company with effect from 1st April, 2014 for a period of 5 years. The shareholders at the 215th Annual General Meeting held on 24th September, 2014 had approved the appointment & remuneration of Shri Sushant Kumar Agarwal for a period of five years. His term of office expired on 31st March, 2019. The Board of Directors in its Board Meeting held on 15th February, 2019 on the recommendation of the Nomination & Remuneration Committee has approved the appointment and remuneration of Shri Sushant Kumar Agarwal as Managing Director on the terms & conditions as set out in draft agreement to be entered into by the Company with him, subject to the approval of the members of the Company.

The principal terms and conditions contained in the draft agreement are as follows :

- A. Period —5 years with effect from 1st April, 2019
- B. Emoluments
 - 1) Basic Salary — Rs. 85,000/- p.m.
 - 2) Bonus — 20% of salary
- B. Perquisites entitlement of Shri Sushant Kumar Agarwal.
 - a. House Rent Allowance — 15% on the basic.
 - b. Medical Benefits — As per Company's Rules.
 - c. Leave Travel Concession — As per Company's Rules.
 - d. Leave and Encashment of Leave — As per Company's Rules.
 - e. Personal Accident Insurance — As per Company's Policy.
 - f. Contribution to Provident fund & Superannuation fund
- C. Car & Telephone — Provision of car for use & driver for use of Company's business and telephone at residence. Use of car for business purpose will not be considered as perquisite.
- D. Gratuity — As per Company's Rules.
- E. Termination—The agreement shall provide that either party shall give three months' notice in writing.

Shri Sushant Kumar Agarwal shall be entitled to reimbursement of travelling expenses and entertainment expenses actually incurred by him in the course of the Company's business. Shri Sushant Kumar Agarwal will not receive any sitting fees for attending meetings of the Board or any committee thereof and his term of office will be liable to retire by rotation.

KAMARHATTY COMPANY LIMITED

The re-appointment and the terms of remuneration requires the approval of the Members in General Meeting by Special Resolution. The above terms as to remuneration has been approved by Nomination & Remuneration Committee of the Board.

Shri Sushant Kumar Agarwal satisfies all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under sub section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Sushant Kumar Agarwal under Section 190 of the Act.

No Director of the Company except Shri Sushant Kumar Agarwal is interested in this Resolution.

ITEM NO.4 (SPECIAL BUSINESS)

The Board of Directors, on the recommendation of the Audit Committee has approved the appointment of M/s SPK Associates, Cost Accountants, as Cost Auditor of the Company, subject to approval(s) as may be necessary, for auditing the cost accounts of the Company relating to any products as may be applicable for the financial year 2019-20 at a remuneration of Rs.25,000/- (Rupees Twenty five thousand only) and service tax at the applicable rate and reimbursement of out of pocket expenses at actuals.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders of the Company.

The Board recommends the resolution set out at item No. 4 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item No. 4.

ITEM NO.5 to 7

Section 149 of the Companies Act,2013, inter-alia, provides that an independent Director shall hold office for a term up to five consecutive years on the Board of a company and their office will not be subject to retirement by rotation.

Based on the declarations received from Mr.Gautam Ukil ,Mr.S.Z.Hussain & Mr. A. Dasgupta, the Board is of opinion that Mr.Gautam Ukil, Mr.S.Z.Hussain & Mr. A. Dasgupta fulfill the criteria of being re-appointed as Independent Directors as stipulated in Section 149(6) of the Companies Act,2013 and other applicable provisions of Companies Act,2013 and Rules made thereunder and are also independent of the management.

Details in respect of the aforesaid three Independent Directors are furnished in the notice-All are eminent personalities in their respective fields. Your Board considers their continued association with the company would be of immense benefit to the Company.In view thereof, the Board recommends for approval of the Shareholders for re-appointment of Mr.Gautam Ukil, Mr.S.Z.Hussain & Mr. A. Dasgupta, as Independent Directors of the Company as per Companies Act,2013 for a term of Five (5) consecutive years upto 31st March 2024.

Concerned Directors are interested in their respective resolutions being related to their own re-appointments. Other than aforesaid Directors, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolutions as set out in item nos. 5 to 7 of the accompanying Notice.

The Board recommended the resolution set forth in Items nos. 5 to 7 for approval of members.

Regd. Office :-
16A, Brabourne Road
Kolkata – 700 001

Dated :- 29th May,2019

By Order of the Board
For **Kamarhatty Company Limited**

A. Lakhotia
(Company Secretary)

KAMARHATTY COMPANY LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Annual Report on the business and operations of the Company together with the Audited Statement of Accounts of the Company for the year ended 31st March 2019.

FINANCIAL RESULTS:

The Standalone financial results of the Company are summarized as under:

	2018-19	2017-18
	(Rs. in lakh)	(Rs. in lakh)
Revenue from Operations	17194.77	16340.64
Other Operating Income	482.65	227.34
Operating Loss after depreciation and amortization	(160.27)	(33.27)
Add: Other Income	371.54	317.99
Profit before Tax	211.27	284.72
Less: Tax Expenses	57.16	88.91
Profit for the year	154.10	195.82
Other Comprehensive Income	0.00	0.00
Total Comprehensive Income for the year	154.10	195.82
Retained Earnings- Opening Balance	2694.76	2524.58
Add : Profit for the year	154.10	195.82
Add/(Less): Prior Period Adjustments	0.00	(25.64)
Retained Earnings- Closing Balance	2848.86	2694.76

The financial statements for the year ended 31st March, 2019 have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under section 133 of the Companies Act,2013 read with Companies (Indian Accounting Standards) Rules,2015, as amended.

DIVIDEND:

In view of expansion and diversification programme undertaken by the Company and in order to consolidate its financial position your Directors do not recommend any dividend for the financial year 2018-19.

PERFORMANCE HIGHLIGHT:

During the year under review, your Company's revenue from operations was Rs.17194.77 lacs as against Rs. Rs.16340.64 lacs in the previous year. The Company has operational loss of Rs. 160.27 lacs before exceptional items & taxation as against operational loss Rs. 33.27 lacs in the previous year.

The Saleable Production of Jute goods during the year under review was 17654 M.T. as compared to 17859 M.T. in the previous year.

The year under review witnessed continuous commercial setbacks. The industry continued to face shortage of skilled labour. Additionally absentism amongst the workers have adversely affected the production.

The operations of Paper Division continued smoothly. The Saleable Production during the year under review has been 5440 M.T as compared to 6039 M.T in the previous year.

The operations of Fine Yarn Unit continued smoothly. The Saleable Production during the year under review has been 1283 M.T as compared to 1407 M.T in the previous year

PROSPECT:

With strong policy measures and positive environment for Jute industry from Government at macro levels and with benefits expected from modernization and expansion at your mill the management is hopeful of a promising future for jute industry.

KAMARHATTY COMPANY LIMITED

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company.

DEPOSITS:

The Company has neither invited nor accepted any deposits from the members and relatives under section 73 of the Act and rules made thereunder during the year under review.

INDUSTRIAL RELATIONS:

The industrial relations by and large remained cordial at all levels during the year under review.

SUBSIDIARY COMPANY

Kamarhatty Power Limited, subsidiary of the company, is non operational since May'2011 .

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the IND-AS 110 your Directors are pleased to attach the consolidated financial statements, which form part of the Annual Report and Accounts.

PARTICULARS OF EMPLOYEES AND KEY MANAGERIAL PERSONNEL:

The following persons are the Key Managerial Personnel of the Company as per provisions of Section 203 of the Companies Act, 2013.

- | | |
|------------------------------|------------------------------------|
| a) Mr. Sushant Kumar Agarwal | Managing Director (DIN: 00546541) |
| b) Mr. Harsh Nahata | Whole-time Director (DIN:02297916) |
| c) Mr Pradip Rakshit | Chief Financial Officer |
| d) Mr. Anand Lakhotia | Company Secretary |

There is no employee in respect of whom particulars pursuant to Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 are required to be given.

RETIRE BY ROTATION OF DIRECTOR:

In accordance with the Articles of Association of the Company, Mr. Sushant Kumar Agarwal, (DIN: 00546541), will retire at the forthcoming Annual General Meeting, and being eligible, offers himself for reappointment. Your Board of Directors has recommended his re-appointment.

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on February 15, 2019, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
2. Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non Executive Directors;
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

DECLARATION BY AN INDEPENDENT DIRECTOR(S)

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of SEBI Listing Regulations, 2015.

KAMARHATTY COMPANY LIMITED

MEETING OF THE BOARD AND IT'S COMMITTEES

Board Meetings:

During the year ended 31st March, 2019, 4 (Four) Board Meetings were held i.e. on June 09, 2018, August 14, 2018, November 15, 2018 and February 15, 2019. Attendance of the Directors has been as follows:

Name of the Director	Whether attended the meetings held on			
	09.06.2018	14.08.2018	15.11.2018	15.02.2019
Shri S.K. Agarwal (DIN 00546541)	YES	YES	YES	YES
Shri Gautam Ukil (DIN 00056595)	YES	YES	YES	YES
Shri S.Z. Hussain (DIN 00079558)	YES	YES	YES	YES
Shri H. Nahata (DIN 02297916)	YES	NO	YES	YES
Shri A. Dasgupta (DIN 01993187)	YES	YES	YES	YES

Audit Committee

i) Composition

The Audit Committee of the Board of Directors of the Company consists of Shri Gautam Ukil (DIN 00056595), Non- Executive Director, Shri S.Z. Hussain (DIN 00079558), Non-Executive Director, Shri A. Dasgupta (DIN 01993187), Non-Executive Director. Shri G. Ukil (DIN 00056595) being an Independent Director is the Chairman of the Committee. Mr. A. Lakhota, Company Secretary acts as the Secretary of the Audit Committee.

ii) Attendance

4 (Four) Meetings of the Audit Committee were held during the financial year ended March 31, 2019 and the attendance of the members is as follows:

Name of the Member of the Audit Committee	Whether attended the meetings held on			
	09.06.2018	14.08.2018	15.11.2018	15.02.2019
Shri Gautam Ukil (DIN 00056595)	YES	YES	YES	YES
Shri S.Z. Hussain (DIN 00079558)	YES	YES	YES	YES
Shri A. Dasgupta (DIN 01993187)	YES	YES	YES	YES

During the year there were no instances where the Board of Directors of the Company had not accepted the recommendations of the Audit Committee.

Nomination and Remuneration Committee

Composition

The Nomination & Remuneration Committee comprises three Non-Executive Independent Directors, viz. Shri Ashis Dasgupta (DIN 01993187), Sri Syed Zakir Hussain (DIN 00079558), Shri G.Ukil (DIN 00056595), Sri G.Ukil (DIN 00056595) is the Chairman of the Committee.

During the year ended March 31, 2019, Nomination and Remuneration Committee meeting was held on February 15, 2019.

KAMARHATTY COMPANY LIMITED

Remuneration of Directors:

The details of remuneration paid Sri H.Nahata (DIN 02297916) and Shri S.K.Agarwal (DIN 00546541) as Directors during the year ended March 31, 2019 were as follows:

Sl.No.	Name of Directors	Total amount in Gross figure (Rs. in lakh)
1.	S.K. Agarwal (DIN 00546541)	11.23
2.	H.Nahata (DIN 02297916)	10.47
	Total	21.70

- (b) The remuneration to Non-Executive Directors is restricted only to Sitting Fee for attending the meetings of the Board, Audit Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee, Corporate Social Responsibility Committee. The Company presently pays sitting fee of Rs. 8,000/- per meeting to its Non-Executive Directors for attending the meetings of the Board and Rs. 4,000/- per meeting for attending the Audit Committee, Remuneration Committee, Shareholders'/Investors' Grievance Committee, Corporate Social Responsibility Committee, besides reimbursement of travelling and out-of-pocket expenses incurred by the Directors for attending the meetings. The details of sitting fees paid to the Non-Executive Directors during the year 2018-19 are given below:

Name	Board Meetings (Rs. in lakh)	Committee Meetings (Rs. in lakh)	Total (Rs. in lakh)
Shri G.Ukil (DIN 00056595)	0.32	0.24	0.56
Shri A.Dasgupta (DIN 01993187)	0.32	0.24	0.56
Shri Syed Zakir Hussain (DIN 00079558)	0.32	0.24	0.56

Apart from the above remuneration, none of the Directors had any pecuniary relationship or transactions with the Company.

- (i) Details of shares of the Company held by Non-Executive Directors as on 31st March, 2019 were as follows :

1. Mr G.Ukil – 500 equity shares
2. Mr. S.Z. Hussain – 100 equity shares

The Company has not issued any convertible instruments.

Stakeholders' Relationship Committee

Composition

The Stakeholders Relationship Committee comprised of three Non-Executive Independent Directors, viz. Shri Ashis Dasgupta (DIN 01993187) , Sri Syed Zakir Hussain (DIN 00079558) Shri G.Ukil (DIN 00056595). Sri Syed Zakir Hussain (DIN 00079558) is the Chairman of the Committee.

During the year ended March31, 2019, no Stakeholders Relationship Committee meetings were held.

Redressal of Stakeholders Grievances are as follows:

No. of Shareholders' complaints received during the year 2018-19	Nil
No. of complaints resolved to the satisfaction of Shareholders as on 31st March, 2019	Nil
No. of pending complaints as on 31st March, 2019	Nil

Corporate Social Responsibility Committee

Composition

The Corporate Social Responsibility Committee comprised of three Non-Executive Independent Directors

KAMARHATTY COMPANY LIMITED

and a Managing Director, viz. Shri Ashis Dasgupta (DIN 01993187), Sri Syed Zakir Hussain (DIN 00079558), Shri G.Ukil (DIN 00056595) and Sri Sushant Kumar Agarwal (DIN 00546541). Sri Syed Zakir Hussain (DIN 00079558) is the Chairman of the Committee.

During the year ended March 31, 2019, one Corporate Social Responsibility Committee meeting was held on 15.02.2019, in which all the above Directors were present.

AUDITOR'S OBSERVATIONS

The Report of the Auditors is self – explanatory and does not call for any further comments from the Directors.

STATUTORY AUDITORS :

M/s. Khandelwal Ray & Co., Chartered Accountant, (Firm Registration Number 302035E), were appointed as Statutory Auditors of the Company by the members at the 218th Annual General Meeting held on 23.09.2017 for period of 5 consecutive subject to ratification by the Members at every Annual General Meeting.

The first proviso to Section 139 of the Companies Act, 2013 which provided for the ratification of appointment of the Statutory Auditors by the Members at every Annual General Meeting has been omitted by the Companies Amendment Act, 2017 w.e.f. 7th May, 2018 Hence, the appointment of Statutory Auditors shall continue to be valid till the conclusion of the 5 consecutive Annual General Meeting and no ratification of appointment of Statutory Auditors is required at the ensuing Annual General Meeting.

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

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the Annexure – A , attached hereto and form a part of this Report.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(3) (c) of the Companies, 2013, your Directors to their best of their knowledge and belief and according to the information and explanations obtained by them, make the following statements that :

- (i) That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) That the Accounting Policies have been selected and applied consistently and judgments and estimates have been reasonably and prudently made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the period under review.
- (iii) That Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the annual accounts for the financial year ending 31st March, 2019, have been prepared on a going concern basis.
- (v) That they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively ; and
- (vi) That they have devised proper systems to ensure compliance with the provisions of all applicable laws that such systems were adequate and operating effectively.

PARTICULARS OF LOAN, GUARANTEE OR INVESTMENT

The Company has not given any loan, guarantee or made any investment exceeding sixty percent of paid up share capital, free reserves and security premium account or hundred percent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Act .

KAMARHATTY COMPANY LIMITED

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of contracts/arrangements with related parties in term of Section 188(1) of the Act is provided in Form No AOC – 2 which is annexed as Annexure – G ' which forms part of the Report.

TRANSFER TO RESERVES

No amount is proposed to be transferred to any reserve during the year.

CORPORATE SOCIAL RESPONSIBILITY

The Company has made a contribution, of a sum of Rs.5,17,100 (Rupees Five Lakh Seventeen Thousand One Hundred only) in the Financial Year ending March 2019 for socio-economic development, relief and welfare of the Scheduled castes, promoting gender equality and empowering women, for the promotion of sports, eradicating poverty etc. The disclosures as per Section 135 of the Companies Act, 2013 are given in Annexure 'I'.

BOARD EVALUATION

Pursuant to the provisions of Section 134(3)(p) of the Act, the Board has carried out an annual performance evaluation of its own performance , the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders Relationship and Corporate Social Responsibility Committees.

EXTRACT OF THE ANNUAL RETURN

In terms of provisions of Section 134(3)(a) of the Act, the extract of the Annual Return as provided under Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rule 2014 in Form No – MGT-9 , is annexed as Annexure – ' F ' which forms part of the Report.

SIGNIFICANT AND MATERIAL ORDERS

There is no significant and material order passed by any of the regulators, court of law or tribunals impacting the going concern status of the Company or its operations in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROL

There are adequate internal control procedures commensurate with the size, scale and complexity of its operation, which are well supplemented by surveillance of Internal Auditors.

RISK MANAGEMENT POLICY

In terms of the requirement of the provisions of Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. The Company continues with its emphasis on jute products without losing sight of the value of its human resources. Your Company recognizes the need to control and limit the risk, which it faces in day to day course of the business. The Company is exposed to certain financial risks- principally interest rate risk, liquidity risk, credit risk and risks associated with the economy, regulations, competition among others. These risks are managed through Risk Management Policies that are designed to minimize the potential adverse effects of these risks on financial performance of the Company. The Policy contains the procedures to inform the Board Members about the risk assessment and minimization process. These processes are periodically reviewed to ensure that the management of the Company controls risk and runs through a well-defined framework.

COST AUDITORS

The Board of Directors, on the recommendation of the Audit Committee has approved the appointment of M/s SPK Associates , Cost Accountants, as Cost Auditor of the Company, subject to approval(s) as may be necessary, for auditing the cost accounts of the Company relating to Jute products for the financial year 2019-20 at a remuneration of Rs.25,000/- (Rupees Twenty five thousand only) and taxes at the applicable rate and reimbursement of out of pocket expenses at actuals.

KAMARHATTY COMPANY LIMITED

SECRETARIAL AUDIT

The Company has appointed M/s Rupa Gupta, Company Secretaries in practice as Secretarial Auditors of the Company to conduct the Secretarial Audit upto the financial year ended 31st March,2020. The Secretarial Audit Report for the financial year ended 31st March, 2019 is annexed as Annexure 'H' which forms part of the Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except the appointment of Woman Director. The Company is in regular search of suitable person as per eligible search criteria for filling the position of Woman Director in the Company but not yet received any suitable applications for the same. However, the company would ensure in future that all the provisions are complied to the fullest extent.

INTERNAL AUDITOR

The Company has appointed Rathi Nawal & Co., Chartered Accountants (Firm Regn. No. 323873E) as Internal Auditors of the Company to conduct the Internal Audit upto the financial year ended 31st March,2020. The Internal Audit Report during the year does not contain any qualification, reservation or adverse remark.

VIGIL MECHANISM

A Vigil Mechanism Policy has been formulated for Directors and Employees to report their genuine concerns or grievances. This policy provides for adequate safeguards against victimization of persons who use such mechanism. Necessary provision is in place for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.

FRAUD REPORTING

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

The Company has a policy of zero tolerance for sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under.

During the year, the Company has not received any complain on sexual harassment.

PARTICULARS OF EMPLOYEES :

During the period under review, no employee of the Company drew remuneration in excess of the limits specified under the provisions of Section 197(12) of the Companies Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no disclosure is required to be made in the Annual Report.

ACNOWLEDGEMENT:

Your Directors wish to place on record their sincere appreciation for the co-operation and support extended to the Company by the Government of West Bengal, Financial Institutions, the Company's Bankers, Shareholders Suppliers, Customers, and Business associates. Your Directors also place on record their appreciation for the services of all the workers, staffs and executives, which is largely reflected in the performance of the Company.

Registered Office
16A, Brabourne Road
Kolkata 700 001
Date :29th May, 2019

Harsh Nahata
Wholtime Director
(DIN 02297916)

On behalf of the Board
For **Kamarhatty Co. Ltd.**
S.K.Agarwal
Chairman cum Managing Director
(DIN 00546541)

KAMARHATTY COMPANY LIMITED

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2018

ANNEXURE – 'A'

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rule, 2014.

A. CONSERVATION OF ENERGY:

- a. Energy Conservation measure taken:
 - i. Rearrangement and better distribution of power system.
 - ii. Changing of Motors for improving efficiency as required.
- b. Additional investment and proposals if any, being implemented for reduction of energy. Energy conservation is an ongoing process with the Company. The Company is exploring other areas where energy conservation measures can be taken up. Investment will be considered after the area is identified.
- c. Impact for measures taken at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.
 - i. Improvement of power factor, smooth working of Electrical system and saving of energy.
 - ii. Better machine productivity and increase in longevity of the machines. However, the reduction in cost of production for goods to the extent of saving in cost of energy was mitigated with upward revision in rates of electricity charges.

B. TECHNICAL ABSORPTION:

FORM A

Research and Development (R&D)

1. Specific areas in which R & D carried out by the Company: Efforts are being made to reduce generation of cutting and up-gradation of low-grade fibre by applying additives to save on Raw Jute cost with the help of IJIRA and other experts. Continued efforts are being made to save consumption of Jute batching oil (JBO) with various scientific techniques in consultation with IJIRA and other experts.
2. Benefits derived as a result of the above : Saving in material (Raw Jute & Batching Oil)
3. Future Plan of Action : Besides carrying out existing activities, efforts are being made for future improvements.
4. Expenditure on R & D : In accordance with the Company's consistent practice, expenditure incurred on R & D activities remains merged with various heads including members subscription paid to IJIRA, Kolkata.
 - a) Capital
 - b) Recurring
 - c) Total
 - d) Total of R&D expenditure as percentage of turnover :

Technology Absorption, Adaptation & Innovation:

1. Efforts in brief made towards technology absorption, adaptation and innovation : Suitable equipments are being procured to conform to the latest technology
2. Benefits delivered as a result of above efforts, : Improvement in productivity and quality of products.
e.g. output improvement, cost reduction, product development, import substitution
3. Details of imported technology : No technology has been imported so far.

KAMARHATTY COMPANY LIMITED

C. FOREIGN EXCHANGE EARNING AND OUTGO:

a) Activities relating to export initiative taken : During last 4-5 years the company has been increase exports, development of new export constantly exploring the export market for its market for products and services and export plans. jute products by visiting the foreign markets, participating into the foreign trade fairs. As a result the company has improved its export market which is also reflected in the Export Sales position in the current year. The company expects further increase in the export sales in the years to come.

b) Foreign Exchange earnings & outgo:

Details of Foreign exchange Earnings and Outgo are as under:-

	<u>(Rs. in Lakh)</u> <u>Current Year</u>	<u>(Rs. in Lakh)</u> <u>Previous Year</u>
i) Total Foreign Exchange Used	961.14	2166.08
ii) Total Foreign Exchange Earned (FOB Value)	2017.35	880.25

For and on behalf of the Board

S.K.Agarwal
Chairman cum Managing Director
(DIN 00546541)

Place: Kolkata
Dated: 29th May, 2019

KAMARHATTY COMPANY LIMITED

ANNEXURE – ‘B’

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) and 53 (f) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Compliance of Mandatory Requirements.

I. Companies Philosophy on Code of Governance

The Company believes that good corporate governance consists of a combination of business practices which result in enhancement of the value of the Company to the shareholders and simultaneously enable the Company to fulfill its obligations to other stakeholders such as customers, vendors, employees and financiers and to the society in general. The Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company makes its best endeavors to uphold and nurture these core values in all aspects of its operations.

II. Board of Directors

- (i) The composition of the Board is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange.
- (ii) The Company has an Executive Chairman and the number of Independent Directors is half the numbers of the total number of Directors.
- (iii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all companies in which he is a Director.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year ended 31st March, 2019 and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders'/Investors' Grievance Committee.

The following is the composition of the Board of Directors as on 31st March 2019.

Name	Category	No. of Board Meetings attended during the year	Whether attended last AGM	No of other Directorships and Committee Members / Chairmanships held	
				Other Directorships	Other Committee Memberships
Shri S.K.Agarwal (DIN 00546541)	Managing Director	4	YES	10	NIL
Shri Gautam Ukil (DIN 00056595)	NED & ID	4	YES	2	1
Shri S.Z.Hussain (DIN 00079558)	NED & ID	4	YES	1	NIL
Shri H.Nahata (DIN 02297916)	ED	3	YES	8	NIL
Shri A.Dasgupta (DIN 01993187)	NED & ID	4	YES	1	NIL

NED: Non-Executive Director; ED: Executive Director; ID: Independent Director;

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a) Meeting and Attendance

During the year under review, four Board Meetings were held on 09/06/2018, 14/08/2018, 15/11/2018 and 15/02/2019.

III. Audit Committee

- (i) The Company has a qualified and independent Audit Committee comprising of three Non- executive Independent Directors. Its terms of reference were in conformity with Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchange. The Managing Director, Chief Financial Officer and the Statutory Auditors were regular invitees to the Committee Meetings. The terms of reference also confirm to the requirement of Section 177 of the Companies Act, 2013.
- (ii) The terms of reference of the Audit Committee are broadly as under :
 - a. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
 - c. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report
 - Significant adjustments arising out of audit
 - The going concern assumption
 - Compliance with accounting standards
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
 - d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
 - e. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - f. Discussion with internal auditors any significant findings and follow up thereon.
 - g. Reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - h. Discussion with external auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
 - i. Reviewing the company's financial risk management policies.
- (iii) The Audit Committee comprises three Non-Executive Directors, viz. Sri A.Dasgupta (DIN 01993187), Shri G.Ukil (DIN 00056595) and Shri Syed Zakir Hussain (DIN 00079558). Shri G.Ukil (DIN 00056595) being an Independent Director is the Chairman of the Committee. During the year ended March 31, 2019, four Audit Committee meetings were held on 09/06/2018, 14/08/2018, 15/11/2018, 15/02/2019.

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The attendance of the Directors at Audit Committee Meetings held during the year 2018-19 was as under:

Committee members	Designation	No. of Audit Committee Meetings attended
Shri Gautam Ukil (DIN 00056595)	Chairman	4
Shri Syed Zakir Hussain (DIN 00079558)	Director	4
Shri A.Dasgupta (DIN 01993187)	Director	4

IV. Nomination & Remuneration Committee:

- (i) The Board constituted a Remuneration Committee in accordance with the requirements of Section 178 of the Companies Act, 2013; its terms of reference were in conformity with Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement entered into with the Stock Exchanges.
- (ii) The Nomination & Remuneration Committee comprises three Non-Executive Independent Directors, viz. Shri Ashis Dasgupta (DIN 01993187), Sri Syed Zakir Hussain (DIN 00079558) , Shri G.Ukil (DIN 00056595) . Sri G.Ukil (DIN 00056595) is the Chairman of the Committee.

During the year ended March 31, 2019, Nomination and Remuneration Committee meeting were held on February 15, 2019.

Remuneration of Directors:

- (a) The details of remuneration paid to ri H.Nahata (DIN 02297916) and Shri S.K.Agarwal (DIN 00546541) as Directors during the year ended March 31, 2019 were:

Sl.No.	Name of Directors	Total amount in Gross figure (Rs. in lakh)
1.	S.K. Agarwal (DIN 00546541)	11.23
2.	H.Nahata (DIN 02297916)	10.47
	Total	21.70

- (b) The remuneration to Non-Executive Directors is restricted only to Sitting Fee for attending the meetings of the Board, Audit Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee. The Company presently pays sitting fee of Rs. 8000/- per meeting to its Non-Executive Directors for attending the meetings of the Board and Rs. 4000/- per meeting for attending the Audit Committee Remuneration Committee and Shareholders'/Investors' Grievance Committee, besides reimbursement of travelling and out-of-pocket expenses incurred by the Directors for attending the meetings. The details of sitting fees paid to the Non-Executive Directors during the year 2018-19 are given below:

Name	Board Meetings (Rs.in lakh)	Committee Meetings (Rs. in lakh)	Total (Rs.in lakh)
Shri G.Ukil (DIN 00056595)	0.32	0.24	0.56
Shri A.Dasgupta (DIN 01993187)	0.32	0.24	0.56
Shri Syed Zakir Hussain(DIN 00079558)	0.32	0.24	0.56

Apart from the above remuneration, none of the Directors had any pecuniary relationship or transactions with the Company.

KAMARHATTY COMPANY LIMITED

(iii) Details of shares of the Company held by Non-Executive Directors as on 31st March, 2019 were as follows :

1. Mr G.Ukil - 500 equity shares
2. Mr. S.Z. Hussain - 100 equity shares

The Company has not issued any convertible instruments.

V. Stakeholders Relationship Committee

(i) The Board constituted a Stakeholders Relationship Committee in accordance with the requirements of Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into with the Stock Exchanges. This Committee deals with grievances like delay in the transfer of shares, non-receipt of the Annual Report, etc.; and approves the transfer, sub-division, transmission, issue of duplicate shares etc.

(ii) The Stakeholders Relationship Committee comprised of three Directors, viz. Shri G.Ukil (DIN 0056595), Shri Syed Zakir Hussain (DIN 00079558) , Sri Ashis Dasgupta (DIN 01993187). Shri Syed Zakir Hussain (DIN 00079558), Non-Executive and Independent Director is the Chairman.

During the year ended March 31, 2019, no Stakeholder Relationship Committee meeting were held.

(iii) Redressal of Stakeholders Grievances are as follows:

No. of Shareholders' complaints received during the year 2018-19	Nil
No. of complaints resolved to the satisfaction of Shareholders as on 31st March, 2019	Nil
No. of pending complaints as on 31st March, 2019	Nil

VI. Corporate Social Responsibility Committee

Composition

The Corporate Social Responsibility Committee comprised of three Non-Executive Independent Directors and a Managing Director, viz. Shri Ashis Dasgupta (DIN 01993187), Sri Syed Zakir Hussain (DIN 00079558), Shri G.Ukil (DIN 00056595) and Sri Sushant Kumar Agarwal (DIN 00546541). Sri Syed Zakir Hussain (DIN 00079558) is the Chairman of the Committee.

During the year ended March 31, 2019, one Corporate Social Responsibility Committee meeting was held on 15.02.2019, in which all the above Directors were present.

VII. General Body Meetings

(i) Particulars of the last three AGMs

Year	Venue	Date	Time
2017-2018	16A Brabourne Road	29.09.2018	11.00 AM
2016-2017	16A Brabourne Road	23.09.2017	11.00 AM
2015-2016	16A Brabourne Road	29.09.2016	11.00 AM

VIII. Disclosures

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

There were no materially significant related party transactions, which may have potential conflict with the interest of the Company at large. However, the list of related party relationships or transactions as required to be disclosed in accordance with IND-AS 24 issued by the Institute of Chartered

KAMARHATTY COMPANY LIMITED

Accountants of India has been given in Additional Notes to Financial Statements in the Financial Statements for 2018-19.

- (ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: Nil
- (iii) The Company has complied with all the mandatory requirements of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as detailed herein.

IX Means of communication

The quarterly, half yearly and the annual financial results are normally published in the political and business daily (English) and Sukhabar (Bengali).

Management Discussion and Analysis Report forms part of this Annual Report to the Shareholders of the Company.

X. General Shareholder Information:

(i) Annual General Meeting:

Date	:	7th September, 2019
Time	:	11:00 A.M
Venue	:	16A, Brabourne Road, Kolkata – 700 001

(ii) Financial calendar 2019-20

The Financial Year of the Company is April to March. Publication of Results for the year 2019-20 will be as follows (tentative): -

First quarter ending June 30, 2019 (Unaudited)	Mid of of August, 2019
Half year ending September 30, 2019 (unaudited)	Mid of November, 2019
Third Quarter ending December 31, 2019 (Unaudited)	Mid of February , 2020
Year ending March 31, 2020 (Audited)	End of May, 2020

(iii) Date of Book Closure :

From 2nd September, 2019 to 7th September, 2019 (both days inclusive)

(iv) Dividend Payment date :

The Directors have not recommended any Dividend for the year ended 31st March, 2019.

(v) Listing on Stock Exchanges :

The Company's Equity Shares are listed at:

Sl. No.	Name of Stock Exchanges	Stock Code
1	The Calcutta Stock Exchange Association Ltd. 7, Lyons Range, Kolkata – 700 001	A - 4

KAMARHATTY COMPANY LIMITED

(vi) Market Price Data :

Monthly high and low quotations of shares traded on the Stock Exchange at Calcutta Stock Exchange.

Month	CSE	
	High	Low
April 2018	NIL	NIL
May 2018	NIL	NIL
June 2018	NIL	NIL
July 2018	NIL	NIL
August 2018	NIL	NIL
September 2018	NIL	NIL
October 2018	NIL	NIL
November 2018	NIL	NIL
December 2018	NIL	NIL
January 2019	NIL	NIL
February 2019	NIL	NIL
March 2019	NIL	NIL

(vii) Registrar and Transfer Agents

Name and Address : Maheshwari Datamatics Pvt Ltd.
23, R.N. Mukherjee Road, 5th Floor,
Kolkata – 700 001

Phone No. : 91 33 2248-2248 / 2243-5029

Fax No. : 91 33 22484787

Email : mdpldc@yahoo.com

The shareholders holding shares in the electronic form should address their correspondence to their respective depository participants.

(viii) Share Transfer System:

Transfer of Shares held in electronic form is done through the depositories with no involvement of the Company. Regarding transfer of shares in physical form, the transfer documents are processed by the Company's Registrar and Transfer Agents (RTA) at the above mentioned address normally within 15 days from the date of receipt and the Share Certificates returned duly transferred in favour of transferees, if the documents are complete in all respects. Share Transfers under objections are returned immediately.

(ix) Shareholding as on 31st March, 2019

(a) Distribution of shareholding :

No of Shares	Shareholders		Shares	
	Number	%	Number	%
Upto 500	796	92.8821	66580	1.1853
501 to 1000	18	2.1004	14360	0.2557
1001 to 2000	3	0.3501	3570	0.0636
2001 to 3000	2	0.2334	4770	0.0849
5001 to 10000	2	0.2334	19000	0.3383
10001 and above	36	4.2007	5508720	98.0723
Total	857	100.0000	5617000	100.0000

KAMARHATTY COMPANY LIMITED

(b) Shareholding Pattern as on 31st March 2019

Sl No	Category of Shareholder	No. of Shareholders	Total No. of shares (in lakh)	No of Shares held in Demat Form (in lakh)	Total Shareholding as a % of Total Shares	
					As a % of (A + B)	As a % of (A + B + C)
A	Shareholding of Promoter & Promoter Group					
1.	Indian					
a.	Individuals/Hindu Undivided Family	5	14.09	14.09	25.0929	25.0929
b.	Central/State Government(s)					
c.	Bodies Corporate	8	17.19	NIL	30.6053	30.6053
d.	Financial Institutions/Banks					
e.	Any other (specify)					
	Sub Total (A1)	13	31.29	14.09	55.6982	55.6982
2.	Foreign					
a.	Individuals/Hindu Undivided Family					
b.	Bodies Corporate					
c.	Financial Institutions/Banks					
d.	Any other (specify)					
	Sub Total (A2)	13	31.29	14.09	55.6982	55.6982
	Total Shareholding of Promoter and Promoter Group A(A)(1)+(A)(2)					
B	Public Shareholding					
1.	Institutions					
a.	Mutual Funds / UTI					
b.	Financial Institutions/Banks	13	0.05	0.00	.0831	.0831
c.	Central/State Government(s)					
d.	Venture Capital Funds					
e.	Insurance Companies					
f.	Foreign Institutional Investors					
g.	Foreign Venture Capital Investors					
h.	Foreign National	1	0.006	0.00	0.0112	0.0112
	Sub Total (B1)	14	0.056	0.00	0.0943	0.0943
2.	Non-Institutions					
a.	Bodies Corporate	30	8.30	0.01	14.7696	14.7696
b.	Individuals Holding					
i.	Nominal share capital upto Rs.2 lac	788	1.45	0.21	2.5738	2.5738
ii.	Nominal share capital in excess of Rs. 2 lac	12	15.09	9.48	26.8675	26.8675
c.	Any other					
	Sub Total (B2)	830	24.84	9.70	44.2109	44.2109
	Total Public Shareholding B=(B)(1)+(B)(2)	844	24.89	9.70	44.3018	44.3018
	TOTAL (A) + (B)	857	56.17	23.79	100	100
C.	Shares held by Custodians & against which Depository Receipts have been issued					
	GRAND TOTAL (A)+(B)+(C)	841	56.17	23.79	100	100

KAMARHATTY COMPANY LIMITED

(x) **Dematerialisation of shares and liquidity**

The shares of the Company are traded in dematerialised form with the depository National Securities Depository Ltd. (NSDL). As on March 31, 2019, 42.35% shares of the Company had been dematerialized.

The Company's shares are traded on the Calcutta Stock Exchange Association Ltd.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company is INE 176F01019.

(xi) **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity.**

Not applicable.

(xii) **Plant Location :**

1, Graham Road
P.O. Kamarhatty
Kolkata – 700 058 (North 24 Parganas)

(xiii) **Address for correspondence :**

KAMARHATTY COMPANY LIMITED
16 A, Brabourne Road,
Kolkata-700001
Fax No. 2221-5887
Phone No.4021-1900
Email : jute@kamarhatty.com
Website : www.kamarhatty.com

B. Compliance of Non-Mandatory Requirements

The Company has not yet adopted the non-mandatory requirements specified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except constitution of Remuneration Committee.

Code of Conduct Compliance Declaration

This is to confirm that the company has adopted a Code of Conduct for its Board Members & Senior Management Personnel.

It is hereby confirmed that the Company has in respect of the financial year ended March 31st 2019, received from the senior management of the Company and the members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Place: Kolkata.
Dated: 29th May, 2019

S.K.Agarwal
Chairman

KAMARHATTY COMPANY LIMITED

ANNEXURE – 'C'

Auditors' Certificate on Corporate Governance

We have examined the compliance of conditions of Corporate Governance by Kamarhatty Company Ltd for the year ended on 31st March 2019 as stipulated in Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said company with the Calcutta Stock Exchange.

The compliance of conditions of Corporate governance is the responsibility of management. Our examination was limited to procedure and implementation thereof adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the company. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

As on 31st March 2019 no investor grievance was pending for a period exceeding one month against the Company as per records maintained by the company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

Place: Kolkata
Dated : 29th May, 2019

For **Khandelwal Ray & Co**
Chartered Accountants

(S. Khandelwal)
Partner
Membership No.054451

KAMARHATTY COMPANY LIMITED

ANNEXURE – 'D'

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates disclosure under specific heads which are given in the following paragraphs and which continue to be followed in the internal course of the Company's business over the years in discussions amongst the Directors and other Senior Management Personnel.

a) Industry Structure and Developments

The availability of raw jute was comfortable throughout the year at reasonable price.

In order to achieve overall growth of the Jute Industry, we are of the view that there is a need to lay thrust on manufacturing more diversified jute goods, carry out more research and development and make required capital investment as a result thereof.

b) Opportunity Threats and Risks & Concerns

Opportunities:

Awareness to use eco-friendly, bio degradable jute goods across the world will keep jute goods always in demand.

Threats:

- (i) Lack of incentive to farmers to take up jute cultivation on regular basis affects the jute crop.
- (ii) Shortage of workers posing threat to maintain desirable capacity utilization.

The areas of risk & concern which may pose threat to Jute Industry includes :-

- Competition/continuous threat from the substitute synthetic packaging industry;
- Competition from Bangladesh in export market due to inherent disadvantage in wage and power cost ;
- Continuous increase in dearness allowance leading to rise in wage cost is a major area of concern;
- Gradual abolition of benefits in the form of Export Market Assistance ;
- Competition from new grass root units operating at lower wage cost & overheads as compared to the existing old units.
- Non-implementation of the agreement relating to productivity linked Wages and increasing Wage Cost of the worker.

c) Outlook

As of now, Jute crop for the season 2019-20 appears to be same, weather condition is not so much favourable for Jute Cultivation. Moreover, the carryover of Jute Bales from the last season would be lower than the previous year.

d) Risks & Concerns

The Company continues with its emphasis on jute products without losing sight of the value of its human resources.

e) Internal Control Systems & their Adequacy

The Company has established an adequate system of internal control which provide reasonable assurance with regard to safeguard Company's asset, improving operational efficiency, reducing avoidable

KAMARHATTY COMPANY LIMITED

expenditure and ensuring compliance with various statutory provisions. A qualified and independent Audit Committee reviews the Internal Audit Reports and steps are taken to implement suggestion of the internal auditors.

f) Financial & Operational Performances

During the year under review, your Company achieved a gross turnover of Rs.17194.77 lacs as against Rs. 16340.64 lacs in the previous year, an increase of 5.23% as compared to the previous year.

During the year under review, the Company achieved a Profit before Tax of Rs.211.26 lacs as against a Profit before Tax of Rs. 284.72 lacs in the previous year a decrease of 25.80% as compared to the previous year.

g) Material Developments in Human Resources/Industrial Relations Front

The relationship with the employees was harmonies and cordial through the year.

h) Cautionary Statement

Statements made above in this section of the Report with regard to future outlook and performance is on the basis of prevailing industry scenario and market conditions as envisaged by us. Actual results may differ materially from those expressed in the statement.

KAMARHATTY COMPANY LIMITED

ANNEXURE – 'E' CEO AND CFO CERTIFICATION

We, S.K. Agarwal (DIN :00546541), Chairman cum Managing Director and P. Rakshit, Chief Financial Officer (CFO) responsible for the finance function certify that:-

1. We have reviewed the financial statements of the Company and the cash flow statement for the year 2018-2019 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit to state a material fact or contain statement that might be misleading:
 - ii) These statements together present a true and fair view of the Company's affair and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. We also certify that based on our knowledge and the information provided to us, there are no transactions entered into by the Company which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedures.
4.
 - i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii) We are not aware of any instance during the year 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.

Regd. Office:
16A, Brabourne Road
Kolkata – 700 001
Dated: 29th May, 2019

P. Rakshit
Chief Financial Officer

S.K. Agarwal
Chairman cum Managing Director
(DIN :00546541)

KAMARHATTY COMPANY LIMITED

ANNEXURE-F FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS	
(i) CIN	L51109WB1877PLC000361
(ii) Registration Date	28-09-1877
(iii) Name of the Company	KAMARHATTY COMPANY LTD
(iv) Category / Sub-Category of the Company	Public Limited Company by Shares
(v) Address of the Registered Office and contact details	16A. Brabourne Road, Kolkata - 700 001 Phone :- 91-33-40211917/1901 e-mail - jute@kamarhatty.com
(vi) Whether listed company	Yes
(vii) Name, address and contact details of Registrar and Transfer Agent, if any	MAHESHWARI DATAMATICS PVT LTD, 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001 Phone - 91-33-22435029/5809 e-mail - mdpldc@yahoo.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated:-			
Sr. No.	Name and Description of main Businesses	NIC Code of the Product/service	% of Total Turnover of the Company
1	JUTE PRODUCTS	131,139	92.35%
2	PAPER PRODUCTS	-	7.65%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
Sr. No.	Name & Address of Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	KAMARHATTY POWER LTD	U40105WB2005PLC102730	SUBSIDIARY	63.02%	

KAMARHATTY COMPANY LIMITED

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(No. of Shares in lakhs)

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				%change over Previous Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	
A Promoters									
(1) Indian									
a) Individual/HUF	14.09	-	14.09	25.09	14.09	-	14.09	25.09	-
b) Central Govt.or State Govt.									
c) Bodies Corporates	-	17.19	17.19	30.60	-	17.19	17.19	30.60	
d) Bank/FI									
e) Any other									
SUB TOTAL:(A) (1)	14.09	17.19	31.29	55.69	14.09	17.19	31.29	55.69	
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)									
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"	14.09	17.19	31.29	55.69	14.09	17.19	31.29	55.69	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI	0.00	0.04	0.05	0.08	0.00	0.04	0.05	0.08	
c) Cenntal govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):	0.00	0.04	0.05	0.08	0.00	0.04	0.05	0.08	
(2) Non Institutions									
a) Bodies corporates	0.01	8.29	8.30	14.77	0.01	8.29	8.30	14.77	0
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	0.21	1.24	1.45	2.58	0.19	1.26	1.45	2.58	0.00
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	9.48	5.61	15.09	26.87	9.48	5.61	15.09	26.87	0
c) Others (specify)									
SUB TOTAL (B)(2):	9.69	15.13	24.83	44.22	9.68	15.16	24.84	44.22	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	9.69	15.18	24.88	44.30	9.68	15.20	24.88	44.30	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	23.79	32.37	56.17	100.0	23.78	32.39	56.17	100.0	

KAMARHATTY COMPANY LIMITED

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareheld at the beginning of the year			Shareheld at the end of the year			% change in share holding during the year
		No. of Shares (in lakh)	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares (in lakh)	% of total shares of the Company	% of Shares Pledged encumbered	
1	Tornado Consultants Ltd	8.35	14.87	-	8.35	14.87	-	-
2	Echolac Trexim Ltd	5.00	8.90	-	5.00	8.90	-	-
3	Niramaya Investment & Dealers Ltd	2.91	5.18	-	2.91	5.18	-	-
4	Annapurna Commercial Co Ltd	0.93	1.66	-	0.93	1.66	-	-
5	Sushant Kr Agarwal	2.86	5.09	-	2.86	5.09	-	-
6	Sushant Kr Agarwal (Huf)	0.84	1.50	-	0.84	1.50	-	-
7	Badri Prasad Agarwal (Huf)	0.82	1.46	-	0.82	1.46	-	-
8	Kalpana Agarwal	2.47	4.41	-	2.47	4.41	-	-
9	Shakuntala Devi Agarwal	7.10	12.64	-	7.10	12.64	-	-
	Total	31.29	55.70	-	31.29	55.70		

iii) Change in Pomoters' Shareholding (Specify, if there is no change)

There is no change in Promoters shareholding

iv) Shareholding of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares (in lakh)	% of total shares of the Company	No. of Shares (in lakh)	% of total shares of the Company
1	MALSISAR CONVERTING MACHINERY P LTD	5.50	9.79	5.50	9.79
2	VIRENDRA KUMAR NAHATA	2.28	4.06	2.28	4.06
3	SWETA AGARWAL	1.78	3.16	1.78	3.16
4	SARITA AGARWAL	1.17	2.08	1.17	2.08
5	RISHI NAHATA	1.00	1.78	1.00	1.78
6	HITESH KUMAR AGARWAL	2.47	4.40	2.47	4.40
7	DHARMESH KUMAR AGARWAL	2.07	3.68	2.07	3.68
8	HITESH KUMAR AGARWAL (HUF)	0.75	1.34	0.75	1.34
9	DHARMESH KUMAR AGARWAL (HUF)	0.75	1.34	0.75	1.34
10	EXCELLENT MERCHANTS P LTD	0.60	1.07	0.60	1.07

(v) Shareholding of Directors & Key Managerial Personnel

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares (in lakh)	% of total shares of the Company	No. of Shares (in lakh)	% of total shares of the Company
1	SUSHANT KUMAR AGARWAL	2.86	5.09	2.86	5.09
2	HARSH NAHATA	2.08	3.70	2.08	3.70

KAMARHATTY COMPANY LIMITED

vi) INDEBTEDNESS

In Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans (excluding deposits) (Rs in Lakh)	Unsecured Loans (Rs in Lakh)	Deposits Indebtedness (Rs in Lakh)	Total (Rs in Lakh)
Indebtness at the beginning of the financial year				
i) Principal Amount	2,181.41	1,270.55	179.83	3,631.79
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	2,181.41	1,270.55	179.83	3,631.79
Change in Indebtedness during the financial year				
Additions	485.28	274.98	1.72	761.98
Reduction	-			
Net Change	485.28	274.98	1.72	761.98
Indebtedness at the end of the financial year				
i) Principal Amount	2,666.69	1,545.53	181.55	4,393.77
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	2,666.69	1,545.53	181.55	4,393.77

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(Rs. in lakh)

Sl. No	Particulars of Remuneration	Managing Director Sri Sushant Kr. Agarwal	Executive Director Sri Harsh Nahata	Total Amount
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	11.23	10.47	21.70
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961			
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock option			
3	Sweat Equity			
4	Commission as % of profit others (specify)			
5	Others, please specify			
	Total (A)	11.23	10.47	21.70
	Ceiling as per the Act	Payment is within the limits as prescribed under section 198 of companies Act,2013		

KAMARHATTY COMPANY LIMITED

B. Remuneration to other directors :

(Rs. in lakh)

Sl. No	Particulars of Remuneration	Name of Director			Total Amount
		Sri Gautam Ukil	Sri Syed Zakir Hussain	Sri Ashis Das Gupta	
(a)	Fee for attending board committee meetings	0.56	0.56	0.56	1.68
(b)	Commission				
(c)	Others, please specify				
	Total (1)	0.56	0.56	0.56	1.68
2	Other Non Executive Directors				
(a)	Fee for attending board committee meetings				
(b)	Commission				
(c)	Others, please specify.				
	Total (2)				
	Total (B)=(1+2)	0.56	0.56	0.56	1.68
	Total Managerial Remuneration (A+B)				23.38
	Overall Ceiling as per the Act.	Payment is within limits of provision of law			

C. Remuneration to key Managerial personnel otherthan MD/Manager/WTD

(Rs. in lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel Sri Pradip Rakshit	Total Amount
1	Gross Salary	CFO	
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	7.07	7.07
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission as % of profit others, specify		
5	Others, please specify		
	Total	7.07	7.07

(Rs. in lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel Sri Anand Lakhotia	Total Amount
1	Gross Salary	Company Secretary	
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	4.03	4.03
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission as % of profit others, specify		
5	Others, please specify		
	Total	4.03	4.03

(viii) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

NONE

KAMARHATTY COMPANY LIMITED

ANNEXURE-'G'

FORM NO. AOC-2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)
of the Companies (Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

The Kamarhatty Company Ltd has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2018-19

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Shri Sushant Kumar Agarwal Chairman cum Managing Director son of Late Badri Prasad Agarwal
	Nature of contracts/arrangements/transaction	Appointment as Managing Director
	Duration of the contracts/arrangements/transaction	Five years with effect from 1st April,2019
	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary Rs.85,000/- per month with annual increment as may be decid- ed by Board. Plus other allowances, perquisites, benefits and amenities as per rules of the Company.
	Date of approval by the Board	15th February,2019
	Amount paid as advances, if any	NIL
SL. No.	Particulars	Details
2	Name (s) of the related party & nature of relationship	Shri Harsh Nahata Executive Director
	Nature of contracts/arrangements/transaction	Appointment as Executive Director
	Duration of the contracts/arrangements/transaction	Five years with effect from 23rd August. 2018
	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary Rs.64000/- per month with annual increment as may be decided by Board Plus other allowances, perquisites, benefits and amenities as per rules of the Company.
	Date of approval by the Board	18th August, 2018 & 15th February,2019
	Amount paid as advances, if any	NIL

KAMARHATTY COMPANY LIMITED

SL. No.	Particulars	Details
3	Name (s) of the related party & nature of relationship	Kamarhatty Power Ltd. Subsidiary of Kamarhatty Company Ltd.
	Nature of contracts/arrangements/transaction	Loan taken
	Duration of the contracts/arrangements/transaction	Not Applicable
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 67,616/-
	Date of approval by the Board	15.02.2019
	Amount paid as advances, if any	NIL

KAMARHATTY COMPANY LIMITED

ANNEXURE - H

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

To,
The Members,
KAMARHATTY CO LTD
16A, Brabourne Road
Kolkata -700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kamarhatty Company Limited (CIN: L51109WB1877PLC000361) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representation made by the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2019** generally complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (Not Applicable to the company during audit period)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the company during the Audit Period)
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014; (Not applicable to the Company during the Audit Period)
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)

KAMARHATTY COMPANY LIMITED

- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the Audit Period)
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: (Not applicable to the Company during the Audit Period).
- vi. Other Applicable Acts:
- The Factories Act, 1948
 - The Employee Provident Fund Act, 1952
 - Payment of Bonus Act, 1965
 - Other Labour Laws

Company is engaged in jute business and compliances are made relating to that to the extent applicable to the Company as per the representations made by the Company.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with BSE Limited and NSE Limited.

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

I further report that

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

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

The minutes of the Board meetings have not identified any dissent by members of the Board; hence we have no reason to believe that the decisions by the Board were not approved by all the directors present.

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

I further report that during the audit period the following events/actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

Place: Kolkata
Dated: 20.05.2019

RUPA GUPTA
Proprietor

CP No 11691
M No A29332

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

KAMARHATTY COMPANY LIMITED

Annexure 'A'

To
The Members,
KAMARHATTY CO LIMITED
16A BRABOURNE ROAD
KOLKATA -700001

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

- 1) Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4) Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Dated: 20.05.2019

RUPA GUPTA
Proprietor

CP No 11691
M No A29332

KAMARHATTY COMPANY LIMITED

Annexure - I

Disclosures of CSR activities as per Section 135 of the Companies Act, 2013

1	2	3	4	5	6	7	8
Brief Outline of the Company's CSR policy	Average Net profit for F.Y 2015-16, 2016-17 & 2017-18)	Prescribed CSR budget (2% Average Net profit for F.Y 2015-16 2016-17 and 2017-18)	Actual CSR spent in F.Y 2018-19	Reasons for under spending/ not spending (if any)	Details of CSR Programmes/ Projects/ Activities	Project Description (covered within Schedule VII)	Mode of implementation (Direct or through implementing agencies)
Kamarhatty Company Limited, a Jute manufacturing based company focus on the socio economic development and betterment of the lives of the people	Rs. 2,46,24,116	Rs. 4,92,482	Rs. 517,100	Nil	Programme/ Project-I Contribution towards promotion of sports, education & social business projects etc.	Contribution towards socio-economic development, relief and welfare of the Scheduled castes, promoting gender equality & empowering women, for the promotion of sports, eradicating poverty etc.	Direct

Place : Kolkata

Dated : 15th February, 2019

Sushant Kumar Agarwal

Managing Director

(DIN : 00546541)

KAMARHATTY COMPANY LIMITED

ANNEXURE-J

SECRETARIAL COMPLIANCE REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

To,
The Members,
KAMARHATTY CO LIMITED
16a, BRABOURNE ROAD
KOLKATA -700001

I have examined:

All the documents and records made available to us and explanation provided by KAMARHATTY CO LIMITED

- a) (the listed entity)
- b) The filings/submissions made by the listed entity to the stock exchanges,
- c) Website of the listed entity,
- d) Any other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31.03.2019 in respect of compliance with the provisions of :
 - a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not Applicable** to the company during the Audit Period)
- e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014; (**Not applicable** to the Company during the Audit Period)
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable** to the Company during the Audit Period)
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**Not applicable** to the Company during the Audit Period)
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: (Not applicable to the Company during the Audit Period).

KAMARHATTY COMPANY LIMITED

Based on the above examination, I hereby report that, during the Review Period:

- a) The Listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder,
- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder: **NIL**
- d) The listed entity has taken the following actions to comply with the observations made in previous reports: **NIL**

Dated: 20.05.2019

RUPA GUPTA
Proprietor

CP No 11691
M No A29332

KAMARHATTY COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

To The Members of Kamarhatty Company Ltd.

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Ind AS Standalone financial statements of Kamarhatty Company Ltd. (in the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 (in the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profits and total comprehensive income, changes in equity and its cash flows for the year ended on that date,

Basis for Qualified Opinion

- (1) Liability on account of gratuity and leave encashment payable to employees on retirement as on 31st March, 2019 has neither been provided in the accounts nor ascertained. This is not in compliance with Ind AS-19.
- (2) The Company has investment of Rs. 378.11 lacs and outstanding balance of loan amounting to Rs.90.70 lakh as on 31st March,2019 with its subsidiary Company which used to generate biomass electricity in the plant at Burdwan. The outstanding Loan is net of Rs.1118.01 lakh repaid by the subsidiary Company till date. The plant has stopped its operation and the possession of Fixed assets including Current Assets at generating plant of the subsidiary company has been taken over by the WBIDC in the year 2012, for non payment of loan and interest thereon due to said financial Institution. As certain amount is still recoverable from WBSEDCL, it is not ascertainable at this stage as to how much loan and investment are likely to be realised ultimately and the extent of impairment is required to be considered in this regard. Refer Note 29(d) to the Notes on financial statements.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon.

KAMARHATTY COMPANY LIMITED

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Financial Statements

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

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

KAMARHATTY COMPANY LIMITED

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in the matter that achieves fair presentation.

Misstatements can arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Ind AS Standalone Balance Sheet, the Standalone Statement of Profit and Loss, Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account. According to information and explanations given to us there was no material Other Comprehensive Income of the Company during the year under report.
 - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except Ind AS 19 as stated above.

KAMARHATTY COMPANY LIMITED

- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note no. 29 in Notes to the Financial Statements)
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **KHANDELWAL RAY & CO.**
Chartered Accountants
(Registration No. 302035E)

64/55 B, Belgachia Road,
Kolkata – 700 037
Date : 29th day of May, 2019

Sanjay Khandelwal
Partner
Membership No. 054451

KAMARHATTY COMPANY LIMITED

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Kamarhatty Company Limited on the Ind AS Standalone financial statements as of and for the year ended March 31, 2019

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets. However, Fixed Assets Register has to be updated.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as stated & disclosed in Note 3 on fixed assets to the standalone financial statements, are held in the name of the Company. However title deeds have been hypothecated with Bank as security for availing loan facilities.
- ii. (a) In our opinion and according to information and explanation given to us the inventory of finished goods processed stock and raw materials, stores & spares have been physically verified by the Management during the year.
- (b) In our opinion and according to information and explanation given to us the procedure of physical verification of inventories followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to information and explanation given to us, no material discrepancies have been noticed on such physical verification as compared to Book Record and have been appropriately dealt with in the Books of accounts.
- iii. (a) The company has granted interest free unsecured loans in the earlier year to its subsidiary company covered in the register maintained under Section 189 of the Act. The company has not given any other loan to company, firm, Limited Liability Partnership Firm of other parties covered in the Register mentioned under Sec. 189 of Companies Act. 2013.
- (b) There is no stipulation with regard to repayment of loan which is payable on demand.
- (c) There is no overdue amount as the company has not made any demand for repayment of said loan.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it in the earlier year.
- v. The Company has accepted deposit from the Directors & members and also from their relatives of within the meaning of Section 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government has prescribed maintenance of cost record under Sub-Section (1) of Section 148 of the Companies Act, 2013 for the product of the Company. We have broadly reviewed the books of accounts maintained by the Company in respect of manufacturer of Jute goods pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act. 2013, and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not however made a detailed examination of the records.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, duty of excise, value

KAMARHATTY COMPANY LIMITED

added tax, cess, and other statutory dues, where ever applicable except for Goods & Service Tax.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth tax, duty of custom and excise duty, which have not been deposited on account of any dispute except for Income tax, Central Sales Tax, West Bengal Sales Tax ,Service Tax, Employees provident fund & ESI. The details are as follows:

- i. (a) The Company is maintaining prope

Name of Statute	Nature of dues	Amount* (Rs. In Lacs)	Period to which it relates (Financial Year)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	7.96	2009-2010	Commissioner of Income Tax (Appeals),Kolkata
		33.82	2011-2012	Commissioner of Income Tax (Appeals),Kolkata
		78.95	2012-2013	Commissioner of Income Tax (Appeals),Kolkata
		95.65	2013-2014	Commissioner of Income Tax (Appeals),Kolkata
Finance Act,1994 and Service Tax law	Service Tax	4.91	2006-2007 to 2009-2010	Commissioner (Appeals), Kolkata
		61.61	2010-2011 to 2014-2015	CESTAT, KOLKATA
Central Sales Tax Act and W.B Sales Tax Act and W.B Vat Act,2003	Sales Tax	139.03	1995-96	Appellate & Revisional Board
		133.96	1997-98	Appellate & Revisional Board
		179.29	1998-99	Appellate & Revisional Board
		62.17	1999-00	Appellate & Revisional Board
		22.83	2004-05 (WBST)	Appellate & Revisional Board
		13.29	2007-08 (CST)	Appellate & Revisional Board
		22.92	2009-10 (VAT)	Sales Tax Taxation Tribunal
		14.31	2009-10 (CST)	Hon'ble High Court, Kolkata
		65.19	2010-11 (VAT)	Fast Track Revisional Board
		86.26	2010-11 (CST)	Fast Track Revisional Board
			2011-12 (VAT)	Settled under SOD
		52.50	2011-12 (CST)	Appellate & Revisional Board
		130.25	2012-13 (CST)	Hon'ble High Court, Kolkata (Div. Bench)
	2013-14 (VAT)	Settled under SOD		
83.74	2013-14 (CST)	Appellate & Revisional Board		
	2014-15 (VAT)	Settled under SOD		
139.23	2014-15 (CST)	Joint Commissioner, Sales Tax		
	2015-16 (VAT)	Settled under SOD		
	2015-16 (CST)	Sr. Joint Commissioner, Sales Tax		
Employees Provident Fund & Misc. Provision Act, 1952	Damages	33.21	1998-2000	Central Board of Trustees, New Delhi.
Employees State Insurance Act, 1948	Contribution, Interest & Damages	468.82	1981-2003	Hon'ble High Court, Kolkata

KAMARHATTY COMPANY LIMITED

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any banks as at the balance sheet date. The Company does not have any loans or borrowings from any financial institution or Government nor has issued any debentures as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). However Company has taken term loans from Bank which have been applied for the purposes for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **KHANDELWAL RAY & CO.**
Chartered Accountants
(Registration No. 302035E)

64/55 B, Belgachia Road,
Kolkata – 700 037
Date : 29th day of May, 2019

SANJAY KHANDELWAL
Partner
Membership No. 054451

KAMARHATTY COMPANY LIMITED
ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 12(g) of the Independent Auditors' Report of even date to the members of Kamarhatty Company Limited on the standalone financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Kamarhatty Company Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in

KAMARHATTY COMPANY LIMITED

accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KHANDELWAL RAY & CO.**
Chartered Accountants
(Registration No. 302035E)

64/55 B, Belgachia Road,
Kolkata – 700 037
Date : 29th day of May, 2019

SANJAY KHANDELWAL
Partner
Membership No. 054451

KAMARHATTY COMPANY LIMITED
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

(All amounts in INR Lakhs)

Particulars	Notes	31 March 2019	31 March 2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3(a)	3,931.46	3,961.10
Capital work in progress	3(b)	1,466.85	1,125.84
Other intangible assets	3(c)	3.25	2.54
Investments in subsidiaries	4	378.11	378.11
Financial assets			
(i) Investments	5	2.87	2.87
Other non-current assets	6	38.95	26.84
Total non-current assets		5,821.48	5,497.31
Current assets			
Inventories	7	5,742.12	5,070.96
Financial assets			
(i) Trade receivables	8(a)	1,453.48	1,771.60
(ii) Cash and cash equivalents	8(b)	72.33	28.49
(iii) Bank balances other than (iii) above	8(C)	136.90	141.94
(iv) Other financial assets	8(d)	104.63	7.13
Current tax assets	9	648.63	598.68
Other current assets	10	354.64	385.99
Total current assets		8,512.73	8,004.80
Total assets		14,334.21	13,502.10
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	561.70	561.70
Other equity	12	3,322.54	3,199.98
Total equity		3,884.24	3,761.68
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13(a)	3,008.16	2,204.69
(ii) Other financial liabilities	13(b)	181.56	179.83
Deferred tax liabilities (net)	14	13.14	11.65
Other non-current liabilities		—	—
Total non-current liabilities		3,202.85	2,396.17
Current liabilities			
Financial liabilities			
(i) Borrowings	15(a)	841.96	892.32
(ii) Trade payables	15(b)	4,188.78	4,094.23
(iii) Other financial liabilities	15(c)	791.61	751.41
Other current liabilities	16	928.90	1,048.93
Provisions	17	—	—
Current tax liabilities	18	495.86	557.36
Total current liabilities		7,247.11	7,344.26
Total liabilities		10,449.96	9,740.43
Total equity and liabilities		14,334.21	13,502.10
Corporate Information	1		
Summary of significant Accountig Policies	2		

The accompanying notes are an integral part of these Standalone Financial Statements.

This is the statement of Standalone Balance Sheet referred to in our report of even date.

For **KHANDELWAL RAY & CO.**
Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451
Kolkata, the 29th day of May, 2019

S.K. AGARWAL
Managing Director

H. NAHATA
Wholetime Director

P. RAKSHIT
CFO

A. LAKHOTIA
CS

KAMARHATTY COMPANY LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE Year ended 31ST MARCH, 2019

(All amounts in INR Lakhs)

Particulars	Notes	31 March 2019	31 March 2018
I. INCOME			
Revenue from operations	19	17194.77	16340.64
Other Operating Income	19	482.65	227.34
Other Income	20	371.54	317.99
Total Revenue		<u>18048.96</u>	<u>16885.97</u>
II. EXPENSES			
Cost of Materials Consumed	21	10109.00	9486.94
Purchase of Traded Goods		694.92	328.69
Change in inventories of finished goods and stock in process	22	(356.67)	(713.43)
Employee benefit expenses	23	3388.21	3626.55
Finance Costs	24	393.38	338.71
Depreciation and amortisation expense	25	386.64	373.14
Other expenses	26	3222.21	3160.63
Total Expenses		<u>17837.69</u>	<u>16601.24</u>
III. PROFIT BEFORE TAX		211.27	284.73
LESS:			
IV Tax Expense:			
- Current tax		43.49	62.04
- Minimum Alternate Tax AVAILED		12.18	26.87
- Deferred Tax LIAB		1.49	-
Total Tax Expense		<u>57.16</u>	<u>88.91</u>
V Profit AFTER TAX for the year (A)		154.10	195.82
Other Comprehensive Income		-	-
Items that will not be reclassified to Profit or Loss		-	-
Other Comprehensive Income FOR THE YEAR (B)		-	-
vi TOTAL Comprehensive Income for the year(A)+(B)		<u>154.10</u>	<u>195.82</u>
vii Earnings Per Equity Share (nominal value of share Rs.10/- each)			
Basic and Diluted	27	2.74	3.49
Significant Accounting Policies and Notes on financial Statements	1		

The Significant Accounting Policies and Notes referred to above form an integral part of the Financial Statements

This is the Statement of Standalone Profit and Loss Accounts referred to in our report of even date.

For **KHANDELWAL RAY & CO.**

Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL

Partner

Membership No. 054451

Kolkata, the 29th day of May, 2019

S.K. AGARWAL

Managing Director

H. NAHATA

Wholetime Director

P. RAKSHIT

CFO

A. LAKHOTIA

CS

KAMARHATTY COMPANY LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(All amounts in INR Lakhs)

A. Share capital

Description	Notes	Amount
As at 31 March 2018		561.70
Changes in equity share capital	11	
As at 31 March 2019		561.70

B. Other equity

Description	Notes 12	Reserve and Surplus				Equity instruments through OCI	Total other equity
		Retained earnings	Capital reserve	Securities premium	Capital Redemption Reserve		
Balance as at 01 April 2017		2,524.58	297.21	204.00	40.00	-	3,065.79
Profit for the year		195.82	-	-	-	-	195.82
Add: Addition during the year			-				-
Less: Released to the Statement of Profit & Loss account		(25.64)	(35.99)				(61.64)
Less: Transfer from Revaluation reserve							
Other Comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		170.17	(35.99)	-	-	-	134.18
Balance as at 31 March 2018		2,694.76	261.22	204.00	40.00	-	3,199.98

Description	Notes 12	Reserve and Surplus				Equity instruments through OCI	Total other equity
		Retained earnings	Capital reserve	Securities premium	Capital Redemption Reserve		
Balance as at 01 April 2018		2,694.76	261.22	204.00	40.00	-	3,199.98
Profit for the year		154.10	-	-	-	-	154.10
Adjustment for prior period provision							-
Less: Released to the Statement of Profit and loss account			(31.54)				(31.54)
Other Comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		154.10	(31.54)	-	-	-	122.57
Balance as at 31 March 2019		2,848.86	229.68	204.00	40.00	-	3,322.54

The accompanying notes are an integral part of these Standalone Financial Statements.

This the Standalone Statement of Changes in Equity referred to in our report of even date.

For **KHANDELWAL RAY & CO.**
Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451
Kolkata, the 29th day of May, 2019

S.K. AGARWAL
Managing Director

H. NAHATA
Wholetime Director

P. RAKSHIT
CFO

A. LAKHOTIA
CS

KAMARHATTY COMPANY LIMITED

Standalone Cash Flow Statement for the Year ended 31st March,2019 as per the Listing Agreement

(All amounts in INR Lakhs)

	For the year ended 31st March,2019	For the year ended 31st March,2018
A. Cash Flow from Operating Activities :		
Net Profit before Tax & extraordinary items	211.27	284.73
Adjustment for:		
Depreciation and amortisation expenses	386.64	373.14
Finance cost	393.38	338.71
Interest income	(14.35)	(13.01)
Debts Written Off	-	13.41
Profit on Sale of Property , Plant & Equipment (net)	(10.97)	(28.65)
Operating Profit before Working Capital changes	754.71	683.59
Adjustment for:		
Trade & other receivables	136.70	(266.14)
Trade payable, Other Current Liabilities and Provisions	(25.49)	1021.20
Increase in Other Financial Liabilities	41.97	91.02
Inventories	(671.16)	(1042.97)
Cash generated from operations	448.01	771.43
Direct Taxes Paid	(64.00)	(75.13)
Net Cash generated FROM Operating Activities	384.01	696.30
B. Cash Flow from Investing Activities :		
Changes in Capital Work in progress	(341.01)	(245.30)
Purchase of Porperty,Plant & Equipment	(389.69)	(469.33)
Sale of Property , Plant and Equipment (net)	11.41	29.75
Interest Received	14.35	13.01
Net Cash used in Investing Activities	(704.94)	(671.87)
C Cash Flow from Financing Activities		
Proceeds from Non-Current Borrowings	803.47	254.50
(Repayment of) / Proceeds from Current Borrowings	(50.36)	102.32
Interest paid	(393.38)	(338.71)
Net Cash generated from Financing Activities	359.73	18.11
Net Increase in Cash & Cash equivalents	38.80	42.54
Cash & Cash equivalents -Opening balance	170.43	127.89
Cash & Cash equivalents -Closing balance	209.23	170.43

The above Standalone Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these Standalone Financial Statements.

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **KHANDELWAL RAY & CO.**
Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451
Kolkata, the 29th day of May, 2019

S.K. AGARWAL
Managing Director

H. NAHATA
Wholetime Director

P. RAKSHIT
CFO

A. LAKHOTIA
CS

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 1 Corporate Information

The Company is a Public Company within the meaning of Companies Act, 2013. The equity shares of the Company are listed at Calcutta Stock exchange Ltd. The Company's manufacturing facilities are located at 1, Graham Road and its registered office at 16A, Brabourne Road, 8th Floor Kolkata- 700001.

The Company is a leading manufacturer of Jute and Jute allied products, Linyarn & Kraft Paper. The Company also exports jute goods to various countries spread over the world.

Basis of Accounting

(i) Compliance with Ind AS

These standalone financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

(ii) Basis of Measurement

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention.

iii) Functional and Presentation Currency

The financial statements have been presented in Indian Rupees, which is also the Company's functional currency. All financial information presented in Rupees has been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in the period prospecting in which the results are known / materialized.

Classification of current and non-current

All asset and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 - Presentation of Financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

Note: 2 : SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statement are given below :-

Property, Plant and equipment and Depreciation

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation/amortization if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

- c) Depreciation is provided on Straight line method over the estimated useful lives of the assets. Pursuant to Notification of Schedule II of the Companies Act, 2013 becoming effective, the Company has adopted the useful lives as per the lives specified for the respective fixed assets in the Schedule II of the Companies Act, 2013. No depreciation is provided on Freehold Land.
- d) An impairment loss is recognized where applicable when the carrying amount of property, plant and equipment exceeds its recoverable amount.

Intangible assets and amortization

- a) Intangible assets are stated at cost of acquisition including duties, taxes and expenses incidental to acquisition and installation, net of accumulated depreciation. Recognition of costs as an asset is ceased when the asset is complete and available for its intended use.
- b) Intangible assets comprising of computer software is depreciated on straight line method over a period of five years.
- c) Gains and Losses on disposal of Intangible assets is recognized in the Statement of Profit and Loss.

Impairment of assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (property, plant and equipment) may be impaired. such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to there recoverable amount.

Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased / increased.

Disposal of Assets

An item of Plant, Property and equipment is recognized upon disposal or when no future economic benefit are expected to draw from the continued use of the Assets.

Gains and losses on disposal of Property, plant and equipmentis recognized in the statement of profit and loss.

Capital work in progress

Capital work in progress stated at cost which includes expense incurred during construction / paid interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

An impairment loss is recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount. The carrying value of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Financial instruments

A financial instrument is a contract that gives rises to a financial assets of one entity and financial liability or equity of another entity.

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Financial assets

The financial as

ets measured at fair value through profit and loss (FVTPL), and

c) financial assets measured at fair value through other comprehensive income (FVOCI).

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the Profit or Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for arranging financial assets.

Financial assets measured at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method. The losses arising from impairment are recognized in the Statement of Profit or Loss.

Trade Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment, if any.

Financial instruments measured at FVTPL

Financial instruments included within FVTPL category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Financial assets at FVOCI

Financial assets are measured at FVOCI if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments

The Company measures all equity investments at fair value. The Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, and accordingly there is no subsequent reclassification of fair value gains and losses to profit or loss.

De-recognition of financial asset

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and such transfer qualifies for de-recognition under Ind AS 109 : Financial Instruments.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Only for Trade receivables, the simplified approach of lifetime expected credit losses is recognized from initial recognition of the receivables as required by Ind AS 109: Financial Instruments. Impairment loss allowance recognized /reversed during the year is charged/written back to Statement of Profit and Loss.

Financial Liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

For Trade and Other Payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

A financial liability (or a part of financial liability) is de-recognized from Company's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

Subsidy / Government Grant

Subsidy/ Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in Capital Reserves as deferred reserves and are credited to statement of profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Inventories

Raw materials, Stores and Spares parts and components are valued at cost (cost being determined on weighted average basis) or at net realizable value whichever is lower. Cost includes cost of purchase & non refundable taxes and others cost incurred in bringing the inventories to their present location. Stock-in-process are valued at raw materials cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion or at net realizable value whichever is lower. Finished goods are valued at cost or at net realizable value whichever is lower. Cost includes all direct cost and applicable manufacturing and administrative overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

Employee Benefit

- i) The accrued liability on account of gratuity payable to the employees as on 31st March 2019 is neither ascertained nor provided for in accounts. Also liability in respect of employees who have retired till 31.03.2019, is neither ascertained nor provided in the accounts. The same is accounted for as and when paid.
- ii) Liability in respect of leave encashment payable to the employee has not been ascertained and provided for in the accounts.

Revenue Recognition

The Company recognizes revenue at fair value when the amount of revenue can be reliably measured and

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of Goods

Revenue from sale of goods is recognized to the extent when significant risks and rewards of ownership are transferred to the customer and the company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of Taxes, Rebates & discount and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

Foreign Currency Transaction

(i) Initial Recognition

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction.

(ii) Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate.

Gains/losses arising out of fluctuations in the exchange rates are recognized in the Statement of Profit and Loss in the period in which they arise.

Gains or Losses in respect of liabilities incurred for acquisition of fixed assets are adjusted in the carrying cost of such assets.

Taxation

Income Tax comprises current and deferred tax it is recognized in the statement of Profit & Loss Account except to the extent that it relates to an item recognized directly in the equity or in other comprehensive income.

Current tax is determined as the amount of tax payable in respect of taxable income for the year based on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Review of Deferred Tax Assets

The carrying of deferred tax assets is reviewed at the end of each reporting period and the carrying amount is reviewed to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire amount of deferred tax assets to be utilized.

Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent period.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Other operating Income

Export incentive are recognized when the company's right to receive the property has been established.

Borrowing Cost

The borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing funds.

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

Provisions and Contingent Liabilities

f) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable. Contingent Liabilities are shown by way of Notes to Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is not considered probable, hence not provided for. Contingent assets are not recognized though are disclosed, where an inflow of economics benefit is probable .

Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, and balance with bank in current account with a original maturity 3 months of less which are subject to an insignificant risks of change in value.

Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Standards issued but not yet effective

Ind AS 115: Revenue from contracts with customers

The Company is in the process of assessing the detailed impact of Ind AS 115. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Company's revenue recognition for product sales. Consistent with the current practice, recognition of revenue will continue to occur at a point in time when products are dispatched to customers, which is also when the control of the asset is transferred to the customer under Ind AS 115. The Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognized in retained earnings as of 1st April 2019 and that comparatives will not be restated.

Rounding of amount

All amounts disclosed in financial statements have been rounded off to nearest lakh as per requirement of schedule –III unless otherwise stated.

A number of the accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

KAMARHATTY COMPANY LIMITED

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2** - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** – Inputs which are unobservable inputs for the assets or liability.

Financial Risk Management

Liquidity risk

Liquidity risk is the risk that the company may be able to meet its financial obligations as they become due. The company monitors its risk by determining its liquidity requirement in the short, medium and long term. This is done by drawing up cash fore cast for short term and long term. The company manages its risk its liquidity risk in a manner so as to meet its normal financial obligation without any significant delay or stress.

- 1) Maturity Analysis for Financial Liabilities:

(All amounts in INR lakhs)

Particular as at 31st March 2019	On Demand	Upto 6 Months	More than 6 months to 1 year	More than 1 year	Total
Borrowing (including current maturity)	777.80	197.98	197.63	1462.62	2636.04
Trade payable	-	4188.78	-	-	4188.78
Other financial Liability as on 31st March, 2019	-	358.24	-	10.97	369.21

Market Risk

Market Risk is the risk that fair value or the future cash flows of the financial instruments will fluctuate because of changes in market price. The market risk comprises of interest risk, foreign currency risk and other price risk. Financial Instruments affected by the market risk include borrowings, trade receivable and trade payable.

1. Interest rate risk is the risk that fair value or the future cash flows of the company's financial instruments will fluctuate because of changes in market interest rate. Such interest rate is actually evaluated and managed through portfolio diversification and secure pre payment / refinancing options where consider necessary.
2. Foreign currency risk is the risk that the fair value or the future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company does not have significant foreign currency exposure.

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NON-CURRENT ASSETS NOTE 3(a) Property, Plant and equipment

(All amounts in INR lakhs)

PARTICULARS	GROSS Carrying amount			ACCUMULATED DEPRECIATION			IMPAIRMENT	CARRYING AMOUNT	
	As on 01.04.2018 Rs.	Addition during the Year Rs.	Sales/ Disposal during the Year Rs.	As on 01.04.2018 Rs.	For the Year Rs.	Adjustment for Disposals Rs.		As on 31.03.19 Rs.	As on 31.3.2018 Rs.
Land (Free Hold)	164.52	-	-	164.52	-	-	164.52	164.52	
Building	1083.24	20.27	-	1103.51	15.91	-	665.11	660.75	
Plant & Machinery	5843.34	316.88	9.38	6150.85	348.34	8.94	2765.53	2797.43	
Co-generation	304.38	-	-	304.38	8.63	-	52.15	60.79	
Computer	58.03	3.33	-	61.35	3.71	-	7.76	8.14	
Electric Installation	365.23	6.74	-	371.97	18.92	-	158.59	170.76	
Tubewell & Water Supply	15.39	-	-	15.39	-	-	7.74	7.74	
Furniture Fixture & Other Office Equipments	130.12	3.08	-	133.20	7.51	-	43.82	48.26	
Motor Vehicles	136.53	38.01	-	174.54	14.49	-	66.24	42.72	
Total	8100.77	388.31	9.38	8479.70	417.51	8.94	3931.46	3961.10	

1. Motor vehicles include Rs.36.13 lakh acquired in Financing scheme.
2. Refer Note 13(a) and 15(a) for information on property, plant and equipment Hypothecated with Bank as security by the Company.

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NON-CURRENT ASSETS
NOTE 3(a) PROPERTY, PLANT AND EQUIPMENT(GAAP)

(All amounts in INR lakhs)

Particulars	Gross Carrying amount			Accumulated Depreciation			Net carrying amount	
	As at 01.04.2017	Addition during the year	Sales / Disposal	As on 31.03.2018	For the year	Adjustment for disposal	As on 31.03.2018	As on 31.03.2017
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land (Free Hold)	164.52	-	-	164.52	-	-	164.52	164.52
Building	1060.50	22.74	-	1083.24	406.98	-	660.75	653.51
Plant & Machinery	5449.76	416.05	22.47	5843.34	2747.84	21.37	2797.43	2701.92
Cogeneration	304.38	-	-	304.38	215.65	-	243.59	88.73
Computer	55.90	2.13	-	58.03	44.75	-	49.89	11.16
Electric Installation	342.92	22.31	-	365.23	174.63	-	194.47	168.29
Tubewell & Water Supply	15.39	-	-	15.39	7.65	-	7.65	7.74
Furniture Fixture & Other Office Equipments	129.52	0.60	-	130.12	74.85	-	81.86	54.67
Motor Vehicles	131.03	5.50	-	136.53	80.20	-	93.81	50.83
Total	7653.91	469.33	22.47	8100.77	3752.54	21.37	4139.66	3901.37

1 Motor vehicles include Rs. 3.45 lakh acquired in Financing scheme.

2 Refer Note 13(a) and 15(a) for information on property, plant and equipment Hypothecated with Bank as security by the Company.

NOTE 3(b) Capital Work in Progress

PARTICULARS	Gross Carrying amount		
	As on 01.04.2018	Addition during the Year	As on 31.03.19
CAPITAL WORK IN PROGRESS	1125.84	-	1466.85

Capital Work in Progress includes (a) Rs.50.36 lakh representing purchase of Land at North (24) parganas West Bengal towards Company's proposed new diversification Project (b) towards Capital expenditure for Company's proposed new Linen Yarn manufacturing Project at Chandannagar. West Bengal for Rs.1372.95 lakh (including land). (c) Effluent treatment water Plant at Paper Unit for Rs.43.53 lakh

NOTE 3(b) Capital Work in Progress(GAAP)

PARTICULARS	Gross Carrying amount		
	As on 01.04.2017	Addition during the Year	As on 31.03.18
CAPITAL WORK IN PROGRESS	880.54	245.30	1125.84

Capital Work in Progress includes (a) Rs.50.36 lakh representing purchase of Land at North (24) parganas West Bengal towards Company's proposed new diversification Project (b) towards Capital expenditure for Company's proposed new Linen Yarn manufacturing Project at Chandannagar. West Bengal for Rs.1075.48 lakh.

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE: 3(C) OTHER INTANGIBLE ASSETS

(All amounts in INR lakhs)

Particulars	Gross Block				Depreciation			Net carrying amount	
	As at 01.04.2018 Rs.	Addition during the year Rs.	Sales / Disposal Rs.	As on 31.03.2019 Rs.	As on 01.04.2018 Rs.	For the year Rs.	Adjustment for disposal Rs.	As on 31.03.2019 Rs.	As on 31.03.2018 Rs.
SOFTWARE	35.26	1.38	-	36.64	32.72	0.67		33.39	2.54
TOTAL	35.26	1.38	-	36.64	32.72	0.67		33.39	2.54

NOTE: 3(C) OTHER INTANGIBLE ASSETS (GAAP)

(All amounts in INR lakhs)

Particulars	Gross Block				Depreciation			Net carrying amount	
	As at 01.04.2017 Rs.	Addition during the year Rs.	Sales / Disposal Rs.	As on 31.03.2018 Rs.	As on 01.04.2017 Rs.	For the year Rs.	Adjustment for disposal Rs.	As on 31.03.2018 Rs.	As on 31.03.2017 Rs.
SOFTWARE	35.26	-	-	35.26	32.08	0.63	-	32.72	3.18
TOTAL	35.26	-	-	35.26	32.08	0.63	-	32.72	3.18

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 4 Investments in subsidiaries (All amounts in INR lakhs)

Particulars	Face value	No. of units	31-Mar-19	No. of units	31-Mar-18
Investments carried at cost					
Investments in equity instruments					
Investments in subsidiary - Unquoted					
- KAMARHATTY POWER LTD	10	2520750	378.11	2520750	378.11
TOTAL			378.11		378.11

Note: 5 Investments (Non-current) (All amounts in INR lakhs)

Particulars	Face value	No. of units	31-Mar-19	No. of units	31-Mar-18
I. Mandatorily measured at FVTPL					
INVESTMENT IN EQUITY INSTRUMENT					
FULLY PAID					
UNQUOTED - AT COST					
YATAN TRADE LINK (P) LTD	10	1250	2.50	1250	2.50
Woodland Multispeciality Hospital Ltd. fully paid equity shares of Rs.10/- each	10	3310	0.33	3310	0.33
INVESTMENT IN REDEEMABLE SHARE (B' class)					
Kamarhatty Jute Mill Employees. Consumers Co.op Stores Ltd.	10	250	0.03	250	0.03
INVESTMENT IN 7 YEARS NATIONAL SAVING CERTIFICATE					
Aggregate amount of Unquoted Investments			0.01	0.01	0.01
			<u>2.87</u>	<u>2.87</u>	<u>2.87</u>

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in INR Lakhs)

NOTE: 6 OTHER NON-CURRENT ASSETS

(Unsecured, considered good)

Particulars	31 March 2019	31 March 2018
Capital advances	38.95	26.84
Total	38.95	26.84

NOTE: 7 INVENTORIES

(At lower of cost or net realizable value)

Particulars	31 March 2019	31 March 2018
Raw materials	1,346.83	1,060.71
Process Stock	707.50	541.85
Coal	46.19	50.16
Finished goods	3,251.20	3,060.19
Stores and spares parts	390.40	358.05
Total	5,742.12	5,070.96

NOTE: 8(a) TRADE RECEIVABLES

Particulars	31 March 2019	31 March 2018
Unsecured, considered good	1,453.48	1,771.60
Total	1,453.48	1,771.60

NOTE: 8(b) CASH AND CASH EQUIVALENTS

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	6.82	6.48
Balances with banks		
- In current accounts	65.51	22.01
Total	72.33	28.49

NOTE: 8(c) OTHER BANK BALANCES

Particulars	31 March 2019	31 March 2018
FIXED DEPOSITS (pledged with bank as margin)	136.90	141.94
Total	136.90	141.94

NOTE: 8(d) OTHER FINANCIAL ASSETS - CURRENT

Particulars	31 March 2019	31 March 2018
INSURANCE CLAIM RECEIVABLE	98.88	–
Interest accrued on deposits	5.75	7.13
Total	104.63	7.13

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in INR Lakhs)

NOTE: 9 CURRENT TAX ASSETS

Particulars	31 March 2019	31 March 2018
Advance for taxation	648.63	598.68
Total	648.63	598.68

NOTE: 10 OTHER CURRENT ASSETS

Particulars	31 March 2019	31 March 2018
Prepaid expenses	23.07	11.53
MAT CREDIT ENTITLEMENT	63.83	76.01
Balances with government authorities	59.24	52.06
Other Deposits	2.55	3.34
Advances for goods and services	69.91	101.81
Other advances (considered good)	13.07	30.65
Advance to Employees	19.46	12.26
Advance to bodies corporate	103.51	98.33
Total	354.64	385.99

NOTE: 11 EQUITY SHARE CAPITAL

A) Authorised share capital

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2017	6,000,000	600.00
Changes during the year		
As at 31 March 2018	6,000,000	600.00
Changes during the year		
As at 31 March 2019	6,000,000	600.00

NOTE: 11 PREFERENCE SHARE CAPITAL

A) Authorised share capital

Particulars	Preference shares	
	Number of shares	Amount
As at 1 April 2017	100,000	100.00
Changes during the year		
As at 31 March 2018	100,000	100.00
Changes during the year		
As at 31 March 2019	100,000	100.00

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in INR lakhs)

B) Issued, subscribed and fully paid-up shares

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2017	5,617,000	561.70
Changes during the year		
As at 31 March 2018	5,617,000	561.70
Changes during the year		
As at 31 March 2019	5,617,000	561.70

C) Details of the shareholders holding more than 5% of equity shares of the Company

Name of the shareholder	31 March 2019		31 March 2018	
	Number	% holding	Number	% holding
Tornado Consultants Ltd.	835000	14.87	835000	14.87
Malsisar Converting Machinery Pvt. Ltd.	550000	9.79	550000	9.79
Echolac Trexim Ltd.	500000	8.90	500000	8.90
Niramaya Investment & Dealers Ltd.	291100	5.18	291100	5.18
Mrs Shakuntala Devi Agarwal	709980	12.64	709980	12.64
Mr Sushant Kumar Agarwal	286000	5.09	286000	5.09

D) Rights, preferences and restrictions attached to equity shares

The Company has only one class of Equity shares having a face value of Rs.10 per share.

Each shareholder is eligible for one vote per share held.

In the event of liquidation, the shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding

The Board has not proposed any dividend for the year

NOTE: 12 OTHER EQUITY

A. RESERVE AND SURPLUS

Particulars	31 March 2019	31 March 2018
(i) Retained earnings	2848.86	2694.76
(ii) Capital Reserve	229.68	261.22
(iii) Securities Premium	204.00	204.00
(iv) Capital Redemption Reserve	40.00	40.00
Total reserves and surplus	3322.54	3199.98

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
(v) Capital Reserve		
Balance as at the beginning of the year	261.22	297.21
Add: Addition during the year	–	–
Less: Release to Statement of Profit and Loss account	(31.54)	(35.99)
Balance at the end of the year	<u>229.68</u>	<u>261.22</u>
(i) Retained earnings		
Balance as at the beginning of the year	2694.76	2524.58
Profit for the year	154.10	195.82
Add: Transfer from Revaluation Reserves	–	–
LESS:ADJ.for short provision for tax in prior year	–	(25.64)
Items of other comprehensive income recognised directly in retained earnings	–	–
Balance at the end of the year	<u>2848.86</u>	<u>2694.76</u>

Nature and Purpose of Reserves

- a) Capital Reserves represents Government Grants received from Government authorities on account of Investments in Capital assets by the Company .
- b) Securities Premium represents share issued earlier at Premium.
- c) Capital Redemption reserve represents Preference shares issued and redeemed earlier and the corresponding amount has been transferred to CRR.
- d) Retained earnings are the profit that the Company has earned till date less any transfer to general Reserves,dividend or other distribution paid to the shareholders.

B. Other reserves - Equity instruments through Other comprehensive income

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	–	–
Balance at the end of the year	–	–
Total (A+B)	<u>3322.54</u>	<u>3199.98</u>

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE: 13(a) BORROWINGS (NON-CURRENT)

Particulars	31 March 2019	31 March 2018
Secured		
(i) TERM LOAN FROM BANK [Refer note (i) to (v) below]	1824.74	1285.65
(ii) Long term maturities of Finance lease(car) (refer note a below)	33.50	3.45
Unsecured		
(a) LOAN FROM OTHERS	1545.53	1270.55
Less: Current maturities of long term debts [refer note 15(c)]	(395.61)	(354.97)
Total	<u>3008.16</u>	<u>2204.69</u>

Nature of security	Terms of repayment
(i) Term loan from banks amounting to Rs.3,79,51,823/- (31 March 2018 - 4,87,69,405/-), are secured by hypothecation of fixed assets financed by the Term Loan	Repayable in 20 equal quarterly instalments beginning from September 2017.
(ii) Term loan from banks amounting to Rs.NIL (31 March 2018 - 1,30,02,962/-), are secured by hypothecation of fixed assets financed by the Term Loan	Repayable in 16 equal quarterly instalments beginning from September 2014.
(iii) ICICI LAP Account secured against security of a property of a Director -amounting to Rs.4,95,72,890/- (31 March 2018 - 6,67,93,941/-	Repayable in 60 equated monthly instalments beginning from November 2016.
(a) Car acquired under finance lease are secured by hypothecation of cars.	Repayable in 60 equal monthly instalments beginning from November 2018.
(iv) Term loan from Axis banks amounting to Rs.6,16,64,818/- (31 March 2018 - NIL, are secured by way of collateral security over the Land of the Company at North 24 Parganas, at Kamarhatty & personal guarantee of two of the Directors of the Company.	Repayable in 84 equal monthly instalments beginning from November 2018.
(v) OD DROP LINE from Axis banks amounting to Rs.3,50,00,000/- (31 March 2018 - NIL, are secured by way of collateral security over the Land of the Company at North 24 Parganas, at Kamarhatty & personal guarantee of two of the Directors of the Company.	Repayable in 70 equal monthly instalments beginning from November 2018

NOTE: 13(b) OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Security Deposit	181.56	179.83
Total	<u>181.56</u>	<u>179.83</u>

NOTE: 14 DEFERRED TAX LIABILITIES (NET)

Particulars	31 March 2019	31 March 2018
Deferred tax liabilities	11.65	11.65
Deferred tax liability arising out of depreciation	1.49	-
Net deferred tax liabilities	<u>13.14</u>	<u>11.65</u>

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in INR lakhs)

NOTE: 15(a) BORROWINGS (CURRENT)

Particulars	31 March 2019	31 March 2018
Secured:		
Cash Credit from bank (Allahabad Bank) [refer note (a) below]	841.96	874.33
Packing Credit from Bank (refer note (b) below)	–	17.99
Total	841.96	892.32

Notes:(a) and (b)

- (a) Secured primarily by exclusive hypothecation charge over stocks, books and other current assets of the Company both present and future and by collateral equitable mortgage / hypothecation of land, building and Plant and machinery of the Company.
- (b) Secured by exclusive hypothecation of stocks meant for export.

Note: 15(b) Trade payables

Particulars	31 March 2019	31 March 2018
Trade payables (refer note (a) below for dues to Micro, Small and Medium Enterprises)	4188.78	4094.23
Total	4188.78	4094.23

Note(a)

The Company on query has received information from some vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006, and hence based on the information received amounts unpaid at the year end under this Act is Rs. 33.82 Lakhs

Note: 15(c) Other financial liabilities - current

Particulars	31 March 2019	31 March 2018
Current maturities of long-term debt (refer note 13(a))	395.61	354.97
Book Overdraft	358.24	350.30
Advances received from customers	26.79	34.08
Unclaimed amount payable to Preference share holders	10.97	12.06
Total	791.61	751.41

- (a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125C of the Companies Act, 2013 as at the end of the year.

NOTE: 16 OTHER CURRENT LIABILITIES

Particulars	31 March 2019	31 March 2018
Statutory dues	693.21	593.56
Electricity dues	99.76	258.99
Other payables	135.92	196.38
Total	928.90	1048.93

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE: 17 PROVISIONS (CURRENT)

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Provision for Cess duty / Excise duty on stock	–	–
Total	–	–

NOTE: 18 CURRENT TAX LIABILITIES

Particulars	31 March 2019	31 March 2018
Provision for taxation	495.86	557.36
Total	495.86	557.36

NOTE : 19 REVENUE FROM OPERATIONS

Details of Products Sold

Particulars	31 March 2019	31 March 2018
Jute Goods	14205.12	13205.63
Fine Yarn and Lin Yarn	1675.34	1441.04
Kraft Paper	1314.31	1693.97
	17194.77	16340.64

OTHER OPERATING INCOME

Processing charges received (Tax deducted at source Rs.1,98,309/- P.Y -Rs.1,37,883/-)	143.21	81.92
Profit on Sale of Property,Plant & Equipment	10.97	28.65
Insurance Claim	99.32	5.32
Interest Subsidy	2.11	21.92
Sale of Rep Licence	118.58	28.99
Interest (on 10% claim prior to 01.7.17) received from DGS&D	39.31	–
Sale of Scrap	29.47	5.79
Profit on Sale of Raw Jute	1.10	3.59
Sale of stores material	4.54	–
Foreign exchange hedging income	6.68	–
Export duty drawback	27.37	51.16
	482.65	227.34

NOTE : 20 OTHER INCOME

Particulars	31 March 2019	31 March 2018
Interest income (Tax deducted at source Rs.1,25,592/- Previous Year -Rs.1,16,477/-)	14.35	13.01
Rent (Gross): (Tax deducted at source Rs. 34,25,463/- Previous Year Rs.29,11,836/-)	342.55	290.75
Miscellaneous Income	14.65	14.23
	371.54	317.99

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE : 21 COST OF MATERIAL CONSUMED

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Details of Principal Raw material Consumed		
Raw Jute	8697.48	7951.36
Flax	235.75	126.81
Jute Batching Oil	219.76	215.42
Dye Material	175.00	133.69
Waste Paper	719.69	1006.35
Purchase of Granules	12.64	–
Purchase of 1000 pc Shopping Bag	0.41	–
Purchase of Nylon for Shopping Bag	0.51	–
Purchase of Cloth for Shopping Bag	1.55	–
Chemical	46.21	53.32
	<u>10109.00</u>	<u>9486.94</u>

Particulars	31 March 2019	31 March 2018
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NOTE : 22 CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS

OPENING STOCK:				
Finished Goods	3060.19		2505.99	
Stock-in-process	541.85		410.32	
Total A		3602.04		2916.31
Less:				
CLOSING STOCK:				
Finished Goods	3251.20		3060.19	
Stock-in-process	707.50		541.85	
Total B		3958.70		3602.04
		(356.67)		(685.72)
Less: Cess Duty Provision on Inventory				
ON CLOSING STOCK	–		–	
ON OPENING STOCK	–	–	27.70	27.70
Increase in stock in trade		(356.67)		(713.43)

Note : 23 EMPLOYEE BENEFIT EXPENSES

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Salary, Wages and Bonus	2938.62	3129.13
Gratuity	155.72	187.93
Contribution to Provident Fund & Other Funds	280.01	301.57
Staff Welfare	13.86	7.92
	<u>3388.21</u>	<u>3626.55</u>

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE : 24 FINANCE COST

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
a Interest TO BANK	206.07	206.16
b Interest - Others	187.32	132.55
Total	393.38	338.71

NOTE : 25 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	31 March 2019	31 March 2018
Depreciation on Tangible Assets	417.51	408.50
Depreciation on Intangible Assets	0.67	0.63
Total	418.18	409.13
Less: Transferred from Capital Reserve	31.54	35.99
Total	386.64	373.14

NOTE: 26 OTHER EXPENSES

Particulars	31 March 2019	31 March 2018
Stores & Spare Consumed	340.59	310.96
Power & Fuel	970.83	1064.43
Coal Consumption	224.79	211.08
Packing Material Consumed	128.24	120.65
Repair To Building	48.41	19.20
Repair To Plant & Machinery	339.78	329.23
Repair To Others	47.34	32.37
Branding & Processing Charges	138.16	76.00
Brokerage & Commission	82.60	74.51
Transport Charges	128.47	108.59
Advertisement	0.74	1.58
Bank Charges	37.42	29.75
Conveyance	5.98	4.43
Coolie & Carriage	0.40	0.09
Electric Charges	9.95	9.19
Filing Fees	0.17	0.22
Listing Fees	0.30	0.35
Hire Charges	0.13	0.73
Legal Expenses	15.53	24.39
Motor Car Expenses	26.44	21.97
Office Maintainance	4.43	7.96
Postage & Courier Charges	5.56	3.37
Printing & Stationery	12.82	11.42
Subscription	12.60	15.24
Telephone Expenses	10.50	11.40
Travelling Expenses	16.23	20.88
Security Charges	24.33	20.84
Rates & Taxes	25.03	81.91
Rent	3.98	4.68
Insurance Charges	30.06	34.20
Bad Debts Written Off	-	13.41
Miscellaneous Expenses	455.56	424.34
Corporate Social Responsibility Expenditure	5.17	1.68
Auditors' Remuneration (Note A)	1.60	1.04
Directors' Remuneration	21.70	29.35
Director Fees	1.68	1.80
Professional Fees	44.69	37.41
	3222.21	3160.63

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Notes (a)		
Details of Payment to Auditor		
As Auditor		
Audit fees	0.70	0.69
Tax Audit	0.15	0.17
Other Capacity		
Company Law matters	0.45	–
Other matters	0.10	–
Certification	0.20	0.17
	1.60	1.04

Rates and taxes includes cess and excise duty Rs.58.01 lakhs in Financial Year 2017-2018

NOTE : 27 EARNINGS PER SHARE (EPS)

Profit after tax	154.10	195.82
LESS:Preference dividend (including tax thereon)	–	–
Net Profit for calculation of Basic and Diluted EPS (A)	154.10	195.82
Weighted average number of shares outstanding (B)	56.17	56.17
Basic and Diluted Earning per share A/B	2.74	3.49

NOTE: 28 INCOME TAX EXPENSE

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and & non - deductible items.

(a) Income tax expense

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Current tax		
Current tax on profits for the year	43.49	62.04
MAT CREDIT AVAILED / (ENTITLEMENT)	12.18	26.87
Total current tax expense	55.68	88.91
Deferred tax		
Increase in deferred tax liabilities	1.49	–
Income tax expense	57.16	88.91

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in INR lakhs)

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	31 March 2019	31 March 2018
Profit before tax	211.27	284.73
Tax at the indian tax rate of 27.82% (2017-18 – 33.063%)	58.77	94.14
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	(3.10)	(5.23)
Deferred on unabsorbed depreciation	1.49	–
MAT credit entitlement	–	–
Total income tax expense/(credit)	57.16	88.91

(c) Details of MAT credit balance available with expiry date

Particulars	31 March 2019	31 March 2018
MAT credit balance		
Expiry		
AY 2030-31	8.60	20.78
AY 2031-32	55.23	55.23
AY 2032-33	–	–
	63.83	76.01

NOTE : 29 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	As at 31.03.2019	As at 31.03.2018
a) Contingent Liability:		
(i) Bank Guarantee – Subsidiary	–	–
Others	375.64	393.77
Claim against the Company not acknowledged as debts:		
(ii) Demand of different Statutory authorities under dispute pending in appeals	2050.15	2019.92
The Management feels that the claims are not likely to succeed and hence not provided in the accounts. However the consequential effect of the claims is dependent on disposal of appeals.		
Capital and other commitments		
Estimated amount of Contract remaining to be executed on Capital account (net of advances) and not provided for	62.40	59.65

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

- b) Statutory dues, in respect of, Employees State Insurance are in the process of reconciliation with authorities. Pending reconciliation / confirmation the final amounts payable against these dues has not been ascertained. The same will be accounted for as and when information received.
- c) In terms of Tariff Orders passed by W.B Electricity Regulatory Commission for the financial years 2000-2002 and 2002-2005 respectively a total sum of Rs 4128046/- for the period upto June 2004 has become refundable to the Company in terms of direction of the Hon' ble Commission dated 26th July, 2004. As per the said Tariff Order the refund is to be effected only after adjusting previous arrears if any due from the particular consumer. The same is being accounted for as and when received.
- d) The Company has investment of Rs.378.11 lakhs and balance in outstanding advanced loan Rs.90.70 lakh as on date of Balance Sheet with its subsidiary i.e Kamarhatty Power Limited. The Kamarhatty Power Limited was compelled to shut down its 6MW Biomass based Power Plant at Raina, Burdwan from 04.05.2011 due to non recovery of cost for non fixation of supportive tariff rate and non release of eligible dues from WBSEDCL aggregating to Rs.930.87 lacs to whom the entire power was sold.
- e) The Company had filed Writ Petition to Division Bench of the Hon'ble High Court at Calcutta for obtaining the differential rate of tariff from WBSEDCL. The Hon'ble High Court at Calcutta ordered WBSEDCL for making payments of the arrear dues to the Company. The WBSEDCL has made a Special Leave Petition for the Hon'ble Supreme Court of India against the order of the Hon'ble High Court. By order dated 23.03.2015 passed by the Hon'ble Supreme Court of India in connection with the Petition for Special Leave Appeal (c) CC 4437-4438/2015 had uphold the decision of the Hon'ble High Court at Calcutta and directed WBSEDCL to pay the arrear which are due to the Company within six weeks.
- f) By virtue of the Order of the Supreme Court, the Company had received Rs.11.18 crore in aggregate within March 2016 which included an adhoc of Rs.3.00 crore out of the total delayed surcharge due of Rs.5.30 crore. The Hon'ble Supreme Court appointed an Arbitrator for final settlement of the case who had ordered for refund of the on account payment of Rs.3.00 crore back to WBSEDCL by the Company. Against the order of the Arbitrator the Company had gone for an appeal in the Hon'ble High Court at Kolkata where the High Court ordered in favour of the Company.

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE : 30 RELATED PARTY DISCLOSURES:

Related Party Disclosures as required by Ind AS – 24, 'Related Party Disclosure' are given below:

i) Key Management Personnel:-

Shri S.K. Agarwal, Managing Director
Shri H.Nahata, Executive Director

Relatives of Key Managerial Personnel: Shri S.K.Agarwal, Shri H.K. Agarwal, Shri D.K. Agarwal, Smt S.D. Agarwal, Smt Kalpana Agarwal, Shri S.K. Agarwal (HUF), Smt Sweta Agarwal, Smt Sarita Agarwal, Smt Priti Agarwal, Shri Rajendra Kr. Bansal, Shri Jagdish Prasad Bansal, Smt Hema Bansal.

b) Transactions with related parties:

i) Remuneration paid to key Managerial Personnel:

	(All amounts in INR lakhs)	
	31.03.2019	31.03.2018
Late B.P. Agarwal	–	7.95
S.K. Agarwal	11.23	11.23
H.Nahata	10.47	10.17
	21.70	29.35
A. Lakhotia	4.03	1.01
Total	25.73	30.36

a) List of Related Parties.

ii) Parties where control exists.

Name of the Related Party	Nature of relationship
a) Kamarhatty Power Ltd.	Subsidiary Company
b) Kamakshi Jute Industries Ltd	Company in which some of the Directors are interested as Directors
c) Hemp Trading Pvt Ltd	Company in which Director is interested as a Director and as a member
d) Annapurna Commercial Company Ltd	Company in which Director is interested as a Director & holds along with his relatives more than 2% of its paid up share capital
e) Kamarhatty Industries Ltd	Company in which Director is interested as a Director & holds along with his relatives more than 2% of its paid up share capital
f) Malsisar Converting Machinery P Ltd	Company in which Director is interested as a Director.
g) Tornado Consultants Ltd.	Company in which Director is interested as a Director.
h) Keshava Jute Mills Pvt. Ltd.	Company in which Director is interested as a Director.

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

TRANSACTION WITH THE RELATED PARTIES

(All amounts in INR lakhs)

Received From	Relation	Nature of Transaction	Outstanding as on 31.03.2019	Outstanding as on 31.03.2018
B.P. Agarwal (HUF)	Director or Relative of Director of the Company	Loans and Advances	37.65	34.65
Dharmesh Kr. Agarwal (HUF),	Director or Relative of Director of the Company	Loans and Advances	0.75	4.70
Dharmesh Kr. Agarwal,	Director or Relative of Director of the Company	Loans and Advances	46.50	62.25
Hema Bansal.	Director or Relative of Director of the Company	Loans and Advances	22.30	22.30
Hitesh Kr. Agarwal (HUF),	Director or Relative of Director of the Company	Loans and Advances	40.45	37.05
Hitesh Kr. Agarwal.	Director or Relative of Director of the Company	Loans and Advances	25.30	22.80
J.P.Bansal Family Trust.	Director or Relative of Director of the Company	Loans and Advances	5.00	5.00
Jagdish Prasad Bansal (HUF).	Director or Relative of Director of the Company	Loans and Advances	0.90	0.90
Kalpna Agarwal,	Director or Relative of Director of the Company	Loans and Advances	40.40	36.40
Paridhi Agarwal,	Director or Relative of Director of the Company	Loans and Advances	-	0.75
Priti Agarwal,	Director or Relative of Director of the Company	Loans and Advances	-	8.00
Rajendra Kumar Bansal.	Director or Relative of Director of the Company	Loans and Advances	2.95	2.95
Ramesh Kumar Agarwal (HUF),	Director or Relative of Director of the Company	Loans and Advances	6.45	23.50
Ramesh Kumar Agarwal,	Director or Relative of Director of the Company	Loans and Advances	12.06	26.50
Sakuntala Devi Agarwal,	Director or Relative of Director of the Company	Loans and Advances	66.99	59.85
Sarita Agarwal,	Director or Relative of Director of the Company	Loans and Advances	56.40	40.40
Sejal Agarwal,	Director or Relative of Director of the Company	Loans and Advances	19.25	16.75
Sushant Kr Agarwal (HUF).	Director or Relative of Director of the Company	Loans and Advances	54.75	50.25
Sushant Kumar Agarwal.	Director or Relative of Director of the Company	Loans and Advances	63.79	47.60

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in INR lakhs)

Received From	Relation	Nature of Transaction	Outstanding as on 31.03.2019	Outstanding as on 31.03.2018
Sweta Agarwal.	Director or Relative of Director of the Company	Loans and Advance	17.50	16.75
Utkarsh Agarwal	Director or Relative of Director of the Company	Loans and Advances	62.35	38.35
Udisha Agarwal,	Director or Relative of Director of the Company	Loans and Advances	37.40	31.65
Malsisar Converting Machinery Pvt. Ltd	A Company in which some of the Directors are interested as Director	Loans and Advances	365.75	327.28
Kamarhatty Power Ltd	Subsidiary Company	Note - 1 Advances	90.70	90.03
Keshava Jute Mills Pvt. Ltd	A Company in which some of the Directors are interested as Director	Purchase of finished goods & sale of raw jute & stocks	5.84	1.98
Kamakshi Jute Industries Ltd	A Company in which some of the Directors are interested as Director	Loans and Advances	20.14	13.06
Tornado Consultants Ltd	A Company in which some of the Directors are interested as Director	Loans and Advances & purchase of yarn & raw jute	152.71	157.37

NOTE – 1 :- Advance given

NOTE-31 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other
- shareholders and maintain an optimal capital structure to reduce the cost of capital

Disclosure on financial instrument

This section gives overview of the significance of financial instrument for the Company and provides additional information on balance sheet items that contain financial instruments.

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE: 32 FAIR VALUE MEASUREMENTS

Financial instruments by category

(All amounts in INR lakhs)

Particulars	31-March-19			31-March-18		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments		2.87				2.87
Trade receivables		1,453.48				1,771.60
Cash & cash equivalents		72.33				28.49
Bank balances other than cash & cash equivalents		136.90				141.94
Interest accrued on deposits		5.75				7.13
Total financial assets		<u>1,671.32</u>				<u>1,952.03</u>
Financial liabilities						
Borrowings		3,850.12				3,097.01
Trade payables		4,188.78				4,094.23
Security deposit		181.56				179.83
Other payables		791.61				751.41
Total financial liabilities		<u>9,012.07</u>				<u>8,122.47</u>

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value

- recurring fair value measurements - At 31 March 2019

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	-	-	-	-
- Unquoted investments	-	-	2.87	2.87
Total financial assets	-	-	2.87	2.87
Financial liabilities				
Total financial liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

KAMARHATTY COMPANY LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in INR lakhs)

Financial assets and liabilities measured at fair value				
- recurring fair value measurements - At 31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	-	-	-	-
- Unquoted investments	-	-	2.87	2.87
Total financial assets	<u>-</u>	<u>-</u>	<u>2.87</u>	<u>2.87</u>

Level 3 [Fair values determined using valuation techniques with significant unobservable inputs]:

In case of unquoted equity instrument where most recent information to measure the value is not sufficient, cost has been considered as Fair value.

There are no transfers between levels 1 and 2 during the year.

- (a) The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.
- (b) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

NOTE : 33 (i) MATURITY ANALYSIS FOR FINANCIAL LIABILITIES

The following are the remaining contractual maturities of financial liabilities at the reporting date.

(All amounts in INR lakhs)

Contractual maturities of financial liabilities 31 March 2019	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	841.96	-	3,008.16	-	3,850.12
Other financial liabilities	791.61	-	181.56	-	973.17
Trade payables	4,188.78	-	-	-	4,188.78
Total non-derivative financial liabilities	5,822.35	-	3,189.72	-	9,012.07

Contractual maturities of financial liabilities 31 March 2018	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	892.32	-	2,204.69	-	3,097.01
Other financial liabilities	751.41	-	179.83	-	931.24
Trade payables	4,094.23	-	-	-	4,094.23
Total non-derivative financial liabilities	5,737.96	-	2,384.52	-	8,122.47

KAMARHATTY COMPANY LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

NOTE: 34 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of it in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Diversification of customer base and approved counter parties.
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Foreign Currency Risk	Trade Receivables, Trade payables	Sensitivity analysis	Company does not have significant foreign currency exposure
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Diversified debt portfolio Regular monitoring of borrowings

NOTE: 35 NET DEBT RECONCILIATION

This section sets out an analysis of net debt and the movements in net debt

Particulars	31 March 2019	31 March 2018
Current borrowings	841.96	892.32
Non-current borrowings	3008.16	2204.69
Net debt	3850.12	3097.01

Particulars	Liabilities from financing activities	
	Non-current borrowings	Current borrowings
Net debt as at 01 April 2018	2204.69	892.32
Proceeds from borrowings during the year	1710.44	22697.24
Repayment of borrowings during the year	(906.97)	(22747.59)
Net debt as at 31 March 2019	<u>3008.16</u>	<u>841.96</u>

Footnotes:

a) Reclassification

The Company has done the following reclassifications as per requirement of Ind AS:-

- 1) Assets/Liabilities which do not meet the definition of financial asset/ financial liability have been reclassified to other asset/liability

NOTE : 36 PREVIOUS YEAR FIGURES HAVE BEEN RECLASSIFIED / REGROUPED WHEREVER NECESSARY

The presentation requirements under Ind AS and the requirements laid down in Division II of the Schedule III of the Companies Act'2013.

REPORT & ACCOUNTS OF SUBSIDIARY COMPANY

KAMARHATTY POWER LIMITED

Registered Office:
16A, Brabourne Road,
Kolkata - 700001

CIN: U40105WB2005PLC102730

NOTICE

Notice is hereby given that Annual General Meeting of the members of **Kamarhatty Power Limited** will be held on Saturday, the 7th day of September, 2019 at 02:00 P.M. at the Registered Office of the Company at 16A, Brabourne Road, Kolkata – 700001 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Financial Statements of the company for the year ended 31st March, 2019, the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Lalit Kumar Jain (DIN: 00433511), who retires by rotation and being eligible, offers himself for reappointment.

By Orders of the Board of Directors
For **Kamarhatty Power Limited**

Place:Kolkata
Dated :29.05.2019

Sushant Kumar Agarwal
Director
DIN: 00546541

NOTE:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting. In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, 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 such person shall not act as a proxy for any person or shareholder.

KAMARHATTY POWER LIMITED

DIRECTORS' REPORT

To the Members of
KAMARHATTY POWER LIMITED

Your Board of Directors have pleasure in presenting before you the Annual Report of KAMARHATTY POWER LIMITED ("the Company") together with the Audited Financial Statements for the financial year ended 31.03.2019.

1. FINANCIAL HIGHLIGHTS

Particulars	Amount (Rs. in lakh)	Amount (Rs. in lakh)
	31.03.2019	31.03.2018
Profit/ (Loss) Before Depreciation & Tax	(0.56)	(10.08)
Less: Depreciation & Amortisation	-	-
Less: Provision for Income Tax Deferred Tax	-	-
Profit/ (Loss) After Tax	(0.56)	(10.08)

2. STATE OF COMPANY'S AFFAIRS

Your Company during the year 2018-19 under review has a Loss of Rs.(0.56) lacs in comparison to previous year 2017-18, Net Loss of Rs.(10.08) Lacs

3. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company occurring between the end of the financial year of the Company, to which the financial statements relate, and the date of report.

4. DIVIDEND

With the view to conserving the resources of company your Directors are unable to recommend any dividend for the period under report.

5. TRANSFER TO RESERVES

No amount is proposed to be carried over to any reserve during the year.

6. CHANGE IN NATURE OF BUSINESS

There are no changes in the nature of business. The Company's biomass power generating plant under non-conventional sources of energy is shut down since May, 2011.

7. PARTICULARS OF EMPLOYEES

No employee in the Company was in receipt of remuneration in excess of the amount specified under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

8. DEPOSITS

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act,2013 and rules made thereunder. As such, no amount of principal or interest was outstanding as of the Balance Sheet date. nor is there any deposit in non-compliance of Chapter V of the Companies Act,2013.

9. DETAILS OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES

During the year under review your Company did not have any the Subsidiary or Associate Companies or Joint Venture(s).

10. ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial control procedures commensurate with the size,

KAMARHATTY POWER LIMITED

scale and complexity of its operation. During the year such controls were tested and no reportable material weakness in the design or operation was observed.

11. SHARE CAPITAL

During the year the Company has not allotted any equity shares.

12. DIRECTORS

There were one change in the composition of Board of Directors of your Company during the year. One of the Director Shri Shiw Kumar Nathany resigned w.e.f 9.8.18 owing to personal reasons.

13. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are not relevant in view of the nature of business activities of the Company and hence are not required to be given. This provisions of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, do not apply your Company.

14. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to clause (c) of sub-section 3 of section 134 of the Companies Act, 2013, it is stated that

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. AUDITOR'S OBSERVATIONS

The Report of the Auditors is self-explanatory and does not call for any further comments from the Directors.

16. STATUTORY AUDITORS :

M/s. Khandelwal Ray & Co., Chartered Accountant, (Firm Registration Number 302035E), were appointed as Statutory Auditors of the Company by the members at the 218th Annual General Meeting held on 23.09.2017 for period of 5 consecutive subject to ratification by the Members at every Annual General Meeting.

The first proviso to Section 139 of the Companies Act, 2013 which provided for the ratification of appointment of the Statutory Auditors by the Members at every Annual General Meeting has been omitted by the Companies Amendment Act, 2017 w.e.f. 7th May, 2018 Hence, the appointment of Statutory Auditors shall continue to be valid till the conclusion of the 5 consecutive Annual General Meeting and no ratification of appointment of Statutory Auditors is required at the ensuing Annual General Meeting.

17. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as **Annexure 1** to the Board's report.

KAMARHATTY POWER LIMITED

18. BOARD MEETINGS

During the year ended 31st March, 2019, 4 (Four) Board Meetings were held i.e. on June 9, 2018, August 14, 2018, November 15, 2018 and February 15, 2019. Attendance of the Directors has been as follows:

Name of the Director	Whether attended the meetings held on			
	09.06.2018	14.08.2018	15.11.2018	15.02.2019
Shri S.K. Agarwal	YES	YES	YES	YES
Shri Gautam Ukil	YES	YES	YES	YES
Shri S.Z. Hussain	YES	YES	YES	YES
Shri A. Dasgupta	YES	YES	YES	YES
Shri L.K. Jain	YES	NO	YES	NO
Shri S.K. Nathany	YES	NO	NO	NO

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

During the year the Company has not given any loans, made investments and provided guarantee requiring disclosure under section 186 of Companies Act, 2013.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

All contracts / arrangements / transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and they do not have any potential conflict with interest of the Company at large.

21. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has a policy of zero tolerance for sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year, the Company has not received any complain on sexual harassment.

22. RISK MANAGEMENT POLICY

In terms of Section 134(3)(n) of the Act, the Board of Directors has adopted a Risk Management Policy which includes identification of element of risk, its mitigation and other related matters.

23. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company since the Company falls below the threshold limits.

24. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Ministry of Corporate Affairs, and Central and State Government Authorities for their kind support and guidance during the year review.

By order of the Board of Directors
For **Kamarhatty Power Limited**

Place : Kolkata
Dated : 29.05.2019

(Lalit Kumar Jain)
Director
DIN: 00433511

(Sushant Kumar Agarwal)
Director
DIN:00546541

KAMARHATTY POWER LIMITED

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2018

ANNEXURE-1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019 of
Kamarhatty Power Limited

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS		
i)	CIN	U40105WB2005PLC02730
ii)	Registration Date	12-04-2005
iii)	Name of the Company	KAMARHATTY POWER LTD
iv)	Category / Sub-Category of the Company	Company Limited by Shares
v)	Address of the Registered Office and contact details	16A. Brabourne Road, Kolkata - 700 001 Phone :- 91-33-40211917/1901 E-mail - power@kamarhatty.com
vi)	Whether listed company	No
vii)	Name, address and contact details of Registrar and Transfer Agent, if any	NIL

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated:-			
Sr. No.	Name and Description of main Businesses	NIC Code of the Product/service	% of Total Turnover of the Company
1	N.A.	N.A	N.A.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (NOT APPLICABLE)					
Sr.	Name & Address of Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1.	N.A.	N.A.	N.A.	N.A.	N.A.

KAMARHATTY POWER LIMITED

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % of total Equity)

(i) Category-wise Share Holding

(No. of Shares in lakh)

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				%change over Previous Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	
A Promoters									
(1) Indian									
a) Individual/HUF		-				-			-
b) Central Govt.or" State Govt.									
c) Bodies Corporates		38.81	38.81	97.01		38.81	38.81	97.01	
d) Bank/FI									
e) Any other									
SubTotal :(A) (1)	0	38.81	38.81	97.01	0	38.81	38.81	97.01	
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
SubTotal (A) (2)									
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	38.81	38.81	97.01	0	38.81	38.81	97.01	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Cenntal govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SubTotal (B)(1):	0	0	0	0	0	0	0	0	
(2) Non Institutions									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	0.32	0.32	0.78	-	0.32	0.32	0.78	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs		0.88	0.88	2.20	-	0.88	0.88	2.20	-
c) Others (specify)									
SubTotal (B)(2):	0	1.20	1.20	2.98	0	1.20	1.20	2.98	
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	1.20	1.20	2.98	0	1.20	1.20	2.98	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	0	40.00	40.00	100.0	0	40.00	40.00	100.0	

KAMARHATTY POWER LIMITED

IV SHAREHOLDING PATTERN (Equity Shares capital Break up as % of total Equity)

ii) Shareholding of Promoters and Promoter Group

Sr. No.	Shareholders Name	Number of shares held at the April 01, 2018			Number of shares held at the March 31, 2019			% change over previous year
		No. of Shares (in lakh)	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares (in lakh)	% of total shares of the Company	% of Shares Pledged	
1	Kamarhatty Company Ltd	25.21	63.02	-	25.21	63.02	-	-
2	Trend Vyapar Limited	13.60	33.99	-	13.60	33.99	-	-
	Total	38.81	97.01	-	38.81	97.01	-	-

iii) Change in Promoters' Shareholding (Specify, if there is no change)

There is no change in Promoters shareholding

iv) Shareholding Pattern (Equity Share Capital as percentage of Total Equity)

Shareholding pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Number of share held as at April 01, 2018		Number of share held as at March 31, 2019		% change in holding during the year
		No. of Shares (in lakh)	% of total shares of the Company	No. of Shares (in lakh)	% of total shares of the Company	
1	Mahendra Kumar Jain	0.05	0.13	0.05	0.13	N.A
2	Dharmesh Kumar Agarwal	0.10	0.24	0.10	0.24	N.A
3	Badri Prasad Agarwal(HUF)	0.05	0.11	0.05	0.11	N.A
4	Kalpana Agarwal	0.18	0.45	0.18	0.45	N.A
5	Shakuntala Devi Agarwal	0.36	0.89	0.36	0.89	N.A
	Total	0.73	1.82	0.73	1.82	

(v) Shareholding of Directors & Key Managerial Personnel

Sl. No.	For Each of the Top 10 Shareholders	Number of share held as at April 01, 2018		Number of share held as at March 31, 2019		% change in holding during the year
		No. of Shares (in lakh)	% of total shares of the Company	No. of Shares (in lakh)	% of total shares of the Company	
1	Sushant Kumar Agarwal	0.34	0.86	0.34	0.86	N.A
2	Lalit Kumar Jain	0.08	0.18	0.08	0.18	N.A
3	Shiw Kumar Nathany	0.05	0.13	0.05	0.13	N.A
	Total	0.47	1.17	0.47	1.17	

KAMARHATTY POWER LIMITED

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % of total Equity)

vi) INDEBTEDNESS

In Indebtedness of the Company including interest outstanding/accrued but not due for payment

Name of the Promoter	Secured Loans (excluding deposits) (in lakh)	Unsecured Loans (in lakh)	Deposits (Under section 73(2) of Companies	Total Indebtedness (in lakh)
Indebtness as at April 01,2018				
i) Principal Amount	-	276.39	-	276.39
ii) Interest due but not paid	-		-	
iii) Interest accrued but not due	-		-	
Total (i+ii+iii)		276.39		276.39
Change in Indebtedness during the year				
(i) Additions	-	0.68	-	0.68
Interest due but not paid	-		-	
Interest accrued but not due	-		-	
(ii) Reduction	-		-	
Net Change		0.68		0.68
Indebtedness as at March 31,2019				
i) Principal Amount	-	277.06	-	277.06
ii) Interest due but not paid	-		-	
iii) Interest accrued but not due			-	-
Total (i+ii+iii)		277.06		277.06

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No.	Particulars of Remuneration	NAME OF THE DIRECTORS	Total Amount (Rs. in lakh)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit others (specify)	-	-
5	Others, Annual Incentive	-	-
6	Total (A)	-	-
7	Ceiling as per the Act	-	-

KAMARHATTY POWER LIMITED

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd.)

B. Remuneration to Other Directors

1. Independent Directors

Sl. No.	Particulars of Remuneration	NAME OF THE DIRECTORS	Total Amount (Rs. in lakh)
	(a) Fee for attending Board/ Committee meetings	-	-
	(b) Commission	-	-
	(c) Others: Annual Incentive	-	-
	Total (B)(1)	-	-

2 Non Executive Directors:

Sl. No.	Particulars of Remuneration	NAME OF THE DIRECTORS	Total Amount (Rs. in lakh)
	(a) Fee for attending "board committee meetings	Gautam Ukil	0.06
		Syed Zakir Hussain	0.06
		Ashis Dasgupta	0.06
	(b) Commission	-	-
	(c) Others, please specify.	-	-
	Total (B) (2)	-	0.18
	Total (B)=(1+2)	-	0.18
	Total Managerial Remuneration		
	Overall Ceiling as per the Act.		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

None

VIII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief description of punishment/ Compounding fees imposed	Details of Penalty / Punishment / Court	Authority [RD / NCLT / court]	Appeal mode
A. Company					
Penalty Punishment Compounding			No Penalties, Punishment or Compounding of Offences		
B. Directors					
Penalty Punishment Compounding			No Penalties, Punishment or Compounding of Offences		
C. Other Officers in Default					
Penalty Punishment Compounding			No Penalties, Punishment or Compounding of Offences		

KAMARHATTY POWER LIMITED

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2018

ANNEXURE- 2

FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

The Kamarhatty Power Ltd has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2018-19

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Kamarhatty Power Ltd Holding of Kamarhatty Company ltd
	Nature of contracts/arrangements/transaction	Loan taken
	Duration of the contracts/arrangements/transaction	Not Applicable
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.67,616
	Date of approval by the Board	15.02.2019
	Amount paid as advances, if any	NIL

KAMARHATTY POWER LIMITED

ANNEXURE TO THE SHAREHOLDERS' REPORT FOR THE YEAR ENDED 31ST MARCH 2018

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

SL. No.	Particulars	Details
1.	Name of the subsidiary	Kamarhatty Power Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
4.	Share capital	4,00,00,000
5.	Reserves & surplus	(11,38,77,093)
6.	Total assets	1,23,277
7.	Total Liabilities	1,23,277
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	(55,571)
11.	Provision for taxation	-
12.	Profit after taxation	(55,571)
13.	Proposed Dividend	-
14.	% of shareholding	63.02%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	N.A.
1. Latest audited Balance Sheet Date	
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding%	
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Net worth attributable to shareholding as per latest audited Balance Sheet	
6. Profit/Loss for the year	
(i) Considered in Consolidation	
(ii) Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

KAMARHATTY POWER LIMITED

INDEPENDENT AUDITORS' REPORT

**To The Members of
The Kamarhatty Power Limited**

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Ind AS Standalone financial statements of Kamarhatty Power Ltd. (in the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 (in the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profits and total comprehensive income, changes in equity and its cash flows for the year ended on that date,

Basis for Qualified Opinion

Provision has not been made for interest amounting to Rs. 56.18 lakhs on outstanding loan from WBIDC of Rs. 162.84 Lakhs.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.12 in the financial statements, which indicates that the company incurred a cumulative loss of Rs. 1138.79 lakhs till the year ended March 31, 2019 and as of that date, the company's current liabilities exceeded its total assets by Rs. 461.71 lakhs. The financial conditions as above along with the other matters as set forth in Note 2.12 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard except for the matters described in the basis for qualified opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon.

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Financial Statements

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

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

KAMARHATTY POWER LIMITED

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern (Refer our report on material uncertainty related to going concern).
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in the matter that achieves fair presentation.

Misstatements can arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Ind AS Standalone Balance Sheet, the Standalone Statement of Profit and Loss, Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account. According to information and explanations given to us there was no material Other Comprehensive Income of the Company during the year under report.
 - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except Ind AS 19 as stated above.

KAMARHATTY POWER LIMITED

- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note no. 39 in Notes to the Financial Statements)
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451

Place : Kolkata
Dated : 29th day of May 2019

KAMARHATTY POWER LIMITED

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Kamarhatty Power Limited on the standalone financial statements as of and for the year ended March 31, 2019

- (i) The Company has no fixed assets as on 31.03.2019 (Refer note no.2.3)
- (ii) The Company has no inventories of raw materials and stores in view of the possession of all assets (fixed and current) taken over by the Financial Institution (WBIDC) (Refer note no.2.3).
- (iii) As informed to us and on the basis of examination of books of accounts, the Company has not granted any loan during the year secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) The Company has not paid /provided for managerial remuneration.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit as stipulated under the provision of Section 73 to Section 76 of the Companies Act, 2013 and Rules framed there under to the extend notified.
- (vi) The possession of the factory has been taken over by WBIDC (West Bengal Industrial Development Corporation Ltd) and the company has no business of electric power generation.
- (vii) The company has stopped the generation of electric power and all assets have been taken over by WBIDC. The company has no statutory dues to be paid to any authorities and there is no arrear dues to be paid also. There is no disputed statutory liability.
- (viii) Based on our audit procedures and on the information and explanations given by the management the company has defaulted in repayment of dues to the Financial Institution (WBIDC) during the year.
- (ix) The company has not taken any Term Loan during the year. The Term Loan taken in the earlier year was applied for the purpose for what it was taken. During the year the company has not raised money by way of initial public offer or further public offer.
- (x) During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **KHANDELWAL RAY & CO.**

Chartered Accountants

Registration No. 302035E

SANJAY KHANDELWAL

Partner

Membership No. 054451

Place : Kolkata

Dated : 29th day of May 2019

KAMARHATTY POWER LIMITED

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 12(g) of the Independent Auditors' Report of even date to the members of Kamarhatty Power Limited on the standalone financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Kamarhatty Power Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable

KAMARHATTY POWER LIMITED

assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KHANDELWAL RAY & CO.**
Chartered Accountants
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451

Place : Kolkata
Dated : 29th day of May 2019

KAMARHATTY POWER LIMITED**STANDALONE BALANCE SHEET AS AT 31 MARCH, 2019**

(All amounts in INR Lakhs)

Particulars	Notes	31 March 2019	31 March 20 18
ASSETS			
Current assets			
Financial assets			
Cash and cash equivalents	3	0.40	0.87
Current tax assets (net)	4	0.83	0.83
Total current assets		1.23	1.70
Total Assets		1.23	1.70
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	400.00	400.00
Other equity	6	(1138.77)	(1138.21)
Total equity		(738.77)	(738.21)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	7	277.06	276.39
Total non-current liabilities		277.06	276.39
Current liabilities			
Financial liabilities			
Other financial liabilities	8	462.84	462.84
Other current liabilities	9	0.10	0.69
Total current liabilities		462.94	463.53
Total liabilities		740.00	739.92
TOTAL EQUITY AND LIABILITIES		1.23	1.70
Corporate Information	1		
Summary of significant Accountig Policies	2		

The accompanying notes are an integral part of these Financial Statements.

This is the statement of Balance Sheet referred to in our report of even date.

As per our report of even date
For **KHANDELWAL RAY & CO.**
Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451
Kolkata, the 29th day of May, 2019

L. K. Jain
Director

S. K. Agarwal
Director

KAMARHATTY POWER LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019

Particulars	Notes	(All amounts in INR Lakhs)	
		31 March 2019	31 March 2018
Expenses			
Other expenses	10	0.56	10.08
Total expenses		0.56	10.08
Profit/(Loss) before tax		(0.56)	(10.08)
Income tax expense			
- Current tax		-	-
- Deferred tax		-	-
Total tax expense		0.00	0.00
Profit/(Loss) for the year (A)		(0.56)	(10.08)
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax (B)		-	-
Total comprehensive income for the year (A+B)		(0.56)	(10.08)
Earnings per equity share: [Nominal value per share ₹10 (previous year ₹10)]	11		
Basic and Diluted		(0.01)	(0.25)
Corporate Information	1		
Summary of significant Accountig Policies	2		

The accompanying notes are an integral part of these Financial Statements.

This is the statement of Profit and Loss referred to in our report of even date.

As per our report of even date
For **KHANDELWAL RAY & CO.**
Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451
Kolkata, the 29th day of May, 2019

L. K. Jain
Director

S. K. Agarwal
Director

KAMARHATTY POWER LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019

(All amounts in INR Lakhs)

A. Share capital

Description	Notes 5	Amount
As at 01 April 2018		400.00
Changes in equity share capital		-
As at 31 March 2019		400.00

B. Other equity

Description	Notes 6	<u>Reserve and Surplus</u> General reserve	<u>Retained</u> earnings	Share premium	Equity instruments through OCI	Total other equity
Balance as at 01 April 2018		(1,335.71)		197.50	-	(1,138.21)
Profit / (Loss) for the year		(0.56)		-	-	(0.56)
Other Comprehensive income for the year			-	-	-	-
Total comprehensive income for the year		(0.56)		-	-	(0.56)
Balance as at 31 March 2019		(1,336.27)		197.50	-	(1,138.77)

The accompanying notes are an integral part of these Financial Statements is the Statement of Changes in Equity referred to in our report of even date.

As per our report of even date
For **KHANDELWAL RAY & CO.**
Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451
Kolkata, the 29th day of May, 2019

L. K. Jain
Director

S. K. Agarwal
Director

KAMARHATTY POWER LIMITED

Cash Flow Statement for the Year ended 31st March, 2018

(All amounts in INR Lakhs)

	<u>For the year ended 31st March,2019</u>	<u>For the year ended 31st March,2018</u>
A. Cash Flow from Operating Activities :		
Net (Loss) / Profit before Tax & extraordinary items	(0.56)	(10.08)
Adjustment for:		
Depreciation	-	-
Interest	-	-
Interest income	-	-
Operating Profit before Working Capital changes	(0.56)	(10.08)
Adjustment for:		
Trade & other receivables	-	0.14
Trade payable	-	(0.22)
Inventories	-	(0.08)
Cash generated from operations	(0.56)	(10.16)
Income Taxes Paid	-	-
Net Cash generated in Operating Activities	(0.56)	(10.16)
B. Cash Flow from Investing Activities :		
Extinguishment of Fixed Assets	-	-
Interest Received	-	-
Net Cash used in Investing Activities	-	-
C Cash Flow from Financing Activities		
Capital Subsidy received	-	-
Proceeds from other borrowings	0.68	10.51
Increase / (Decrease) in Cash Credit & Term Loan	(0.59)	-
Interest paid	-	-
Net Cash (used) / generated used Financing Activities	0.09	10.51
Net Increase / (decrease) in Cash & Cash equivalents	(0.47)	0.35
Cash & Cash equivalents -Opening balance	0.87	0.52
Cash & Cash equivalents -Closing balance	0.40	0.87

As per our report of even date
For **KHANDELWAL RAY & CO.**
Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451
Kolkata, the 29th day of May, 2019

L. K. Jain
Director

S. K. Agarwal
Director

KAMARHATTY POWER LIMITED

NOTES OF THE FINANCIAL STATEMENTS

(All amounts in INR Lakhs)

NOTE: 3 CASH AND CASH EQUIVALENTS

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	0.01	0.02
Balances with banks		
– In current accounts	0.39	0.85
Total	0.40	0.87

NOTE: 4 CURRENT TAX ASSETS (NET)

Particulars	31 March 2019	31 March 2018
Advance for taxation	0.83	0.83
Total	0.83	0.83

NOTE: 5 EQUITY SHARE CAPITAL

A) Authorised share capital

Particulars	Number of shares	Amount
As at 1 April 2018	4,000,000	400.00
Changes during the year	–	–
As at 31 March 2019	4,000,000	400.00

Note: 4000000 No. Equity shares of Rs. 10/- each

B) Issued, subscribed and fully paid-up shares

Particulars	Number of shares	Amount
As at 1 April 2018	4,000,000	400.00
Changes during the year	–	–
As at 31 March 2019	4,000,000	400.00

Note: 4000000 Equity shares of Rs. 10 each fully paid up

C) Details of the shareholders holding more than 5% of equity shares of the Company

Name of the shareholder of Equity shares	31 March 2019		31 March 2018	
	No of share hold	% of holding	No of share hold	% of holding
1) KAMARHATTY COMPANY LTD	2,520,750	63	2,520,750	63
2) TREND VYAPAR LTD	1,359,750	34	1,359,750	34

KAMARHATTY POWER LIMITED
NOTES OF THE FINANCIAL STATEMENTS

D) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their shareholding.

(All amounts in INR Lakhs)

NOTE: 6 OTHER EQUITY

A. Reserve and Surplus

Particulars	31 March 2019	31 March 20 18
(i) General reserve	–	–
(ii) Retained earnings	(1,336.27)	(1,325.71)
(iii) Share premium	197.50	197.50
Total reserves and surplus	(1,138.77)	(1,138.21)

Particulars

(i) General reserve

Balance at the beginning of the year	–	–
Less: Issue of bonus shares	–	–
Transferred from retained earnings	–	–
Balance at the end of the year	–	–

(ii) Retained earnings

Balance as at the beginning of the year	(1,135.71)	(1,325.63)
Profit/ (Loss) for the year	(0.56)	(10.08)
Items of other comprehensive income recognised directly in retained earnings	–	–
Balance at the end of the year	(1,136.27)	(1,335.71)

(ii) Share Premium

Balance as at the beginning of the year	197.50	197.50
Transaction during the year	–	–
Balance at the end of the year	197.50	197.50

KAMARHATTY POWER LIMITED

NOTES OF THE FINANCIAL STATEMENTS

(All amounts in INR Lakhs)

B. Other reserves - Equity instruments through Other comprehensive income

Particulars	31 March 2019	31 March 20 18
Balance at the beginning of the year	-	-
Balance at the end of the year	-	-
Total Equity (A+B)	(1,138.77)	(1,138.21)

NOTE: 7 BORROWINGS (NON-CURRENT)

Particulars

Unsecured

From Holding company	90.70	90.03
From related party	186.36	186.36
Total	277.06	276.39

NOTE: 8 OTHER FINANCIAL LIABILITIES - CURRENT

Particulars

Other payables (refer note below)	462.84	462.84
Total	462.84	462.84

Note: Other financial liabilities -current includes
Rs. 300 Lakhs to WBSSEDCL and Rs. 162.84 Lakhs to WBIDC

NOTE: 9 OTHER CURRENT LIABILITIES

Particulars

Advances received from customers

Statutory dues	-	0.58
Other payables	0.10	0.12
Total	0.10	0.69

KAMARHATTY POWER LIMITED
NOTES OF THE FINANCIAL STATEMENTS

(All amounts in INR Lakhs)

Note: 10 Other expenses

Particulars	<u>31 March 2019</u>	<u>31 March 2018</u>
Rates and taxes	0.07	0.00
Filing charges	0.01	0.12
Bank charges	0.00	0.00
Travelling & conveyance	0.00	0.57
Printing & Stationery	0.00	0.00
Directors fees	0.18	0.23
Professional fees	0.20	5.91
Sundry balance written off	0.00	0.14
Miscellaneous expenses [Refer note (a) below]	0.10	3.12
Total	<u>0.56</u>	<u>10.08</u>

(a) Miscellaneous expenses includes remuneration to auditors for:

Particulars	<u>31 March 2019</u>	<u>31 March 2018</u>
Audit Fees	0.10	0.12
Total	<u>0.10</u>	<u>0.12</u>

KAMARHATTY POWER LIMITED

SCHEDULED FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED ON 31.03.2019

NOTE: 1 CORPORATE INFORMATION

The Company is a Public Company within the meaning of Companies Act, 2013. The Company's manufacturing unit was located at Raina, Block – I, Burdwan District, West Bengal & its registered office is at 16A, Brabourne Road, 8th Floor, Kolkata- 700001.

The Company had commissioned its 6 MW Biomass Based Power Plant to generate power in 2008 which was compelled to shut down since 2011 due to non recovery of cost for non fixation of supportive tariff rate with WBSEDCL to whom the entire power was sold.

2.1 BASIS OF PREPARATION

i) Classification of current and non-current

All asset and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 - Presentation of Financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

(ii) Historical cost convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention.

(iii) Functional and Presentation Currency

The financial statements have been presented in Indian Rupees, which is also the Company's functional currency. All financial information presented in Rupees has been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

2.3 Significant Accounting Policies

To prepare financial statements in accordance with applicable Accounting Standards in India, a summary of important accounting policies is set out below.

Basis of Accounting

The financial statements have been prepared in accordance with the historical cost convention as detailed below and on the principle of going concern.

Fixed Assets

The Fixed Assets of the company have been fully adjusted with the outstanding term loan and interest thereon from WBIDC Ltd. Therefore no fixed assets are appearing in the books of accounts.

Depreciation

Depreciation has not been charged due to adjustment of the total fixed assets with the outstanding term loan.

KAMARHATTY POWER LIMITED

SCHEDULED FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED ON 31.03.2019

2.4 Financial Assets

The financial assets are classified in the following categories:

- a) financial assets measured at amortised cost,
- b) financial assets measured at fair value through profit and loss (FVTPL), and
- c) financial assets measured at fair value through other comprehensive income (FVOCI).

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the Profit or Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for arranging financial assets.

2.5 Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

A financial liability (or a part of financial liability) is de-recognised from Company's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

2.6 Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year based on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

2.7 Provisions and Contingent Liabilities

Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable. Contingent Liabilities are shown by way of Notes to Accounts in respect of obligations where, based on the evidence available, their existence at the Balance

KAMARHATTY POWER LIMITED

SCHEDULED FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED ON 31.03.2019

Sheet date is not considered probable, hence not provided for. Contingent assets are not recognised though are disclosed, where an inflow of economics benefit is probable.

2.8 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.9 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, and balance with bank in current account.

2.10 Related Party Disclosures

It is required by Ind AS-24, "Related Party Disclosure" are given bellow

- a) Key management Personal:
Shri S.K.Agarwal- Managing Director
- b) Name of the related Parties:
 - 1) Shri S.K.Agarwal
 - 2) Kamarhatty Company Limited (Holding company)
 - 3) Trend Vyapar Limited

Related party transaction:

1. Loan taken from Holding Company (Kamarhatty Company Ltd) is Rs. 0.67 lakhs (net) during the financial year 2018-19 and the total outstanding loan from the holding company as on 31.03.2019 is Rs. 90.70 Lakhs shown in the financial statement.
2. Loan outstanding in the name of Trend Vyapar Limited shown as on 31.03.2019 in the financial statement is Rs. 186.36 Lakhs which has been brought forward from the previous years and transaction during the financial year 2018-19 is nil.

Relatives of Key Managerial Personnel: Shri H.K.Agarwal, Shri D.K.Agarwal, Smt S.D.Agarwal, Smt Kalpana Agarwal, Sri S.K.Agarwal(HUF),Sri B.P.Agarwal (HUF), Smt Sweta Agarwal,Smt Saraita Agarwal. Smt Priti Agarwal, Sri Rajendra Kumar Bansal,Sri Jagadish Prasad Bansal, Smt Hema Bansal.

2.11 The Power Plant of the Company has stopped its operation in 2011 and the possession of Fixed Assets including Current Assets at generating Plant has been taken over by WBIDC in the year 2012 for the non-payment of loan and interest thereon. In the year ending March'16 the Company has adjusted all its Fixed Assets and Current Assets which were taken over by WBIDC with their unpaid loan amount including interest thereon.

After all the above adjustment the resulting outstanding loan account amounting Rs. 162.84 lakhs has been shown under other current financial liabilities in the financial statement.

2.12 The company does not continue its operation, no working capital is available, its net worth has become negative and all its assets have been taken over by the Financial Institutions for non-payment of its dues. The total cumulative net loss as at 31st March 2019 amounts to Rs.1138.79 lakhs including Rs. 0.56 lakhs for the year and its current liabilities exceeds the current assets by Rs. 461.71 lakhs. This information indicates that material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern.

KAMARHATTY POWER LIMITED

SCHEDULED FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED ON 31.03.2019

By virtue of the Order of the Supreme Court, the Company had received Rs.11.18 crore in aggregate within March'2016 which included an adhoc of Rs.3.00 crore out of the total delayed surcharge due of Rs.5.30 crore. The Hon'ble Supreme Court appointed an Arbitrator for final settlement of the case who had ordered for refund of the adhoc payment of Rs.3.00 crore back to WBSEDCL by the Company. Against the order of the Arbitrator the Company had gone for an appeal in the Hon'ble High Court at Kolkata where the High Court ordered in favour of the Company.

The Company has also raised claims on WBSEDCL to recover all its eligible dues which are still outstanding including interest thereon.

The Company presently has not considered to take up any activities within the Company.

As various claims as stated above are pending for realisation, management does not consider for any scheme/ winding up of the Company.

2.13 The aggregated amount of the refund of Rs.11.18 crore received from WBSEDCL by the Company by virtue of Court Orders as above has been repaid to Kamarhatty Company Limited (the Holding Company) to adjust against the loan received from it and after repayment the outstanding loan from the holding company as on 31.03.2019 is Rs. 90.70 Lakhs shown in the financial statement of the Company.

2.14. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.19.

2.15 Previous year figures have been re-arranged and / or regrouped wherever considered necessary.

11. Earning Per Share(EPS)	<u>Year ended</u> 31.03.2019 Rs.	<u>Year ended</u> 31.03.2018 Rs.
(a) Profit/(Loss) after Tax	(55571)	(1008298)
(b) Basic & weighted average number of equity shares during the year(Nos.)	40,00,000	40,00,000
(c) Nominal Value of equity share	10	10
(d) Basic & diluted EPS	(0.01)	(0.25)

CONSOLIDATED FINANCIAL STATEMENTS & NOTES

INDEPENDENT AUDITORS' REPORT

**To The Members of
The Kamarhatty Company Limited**

Report on the Audit of the Consolidated Financial Statements**Qualified Opinion**

We have audited the accompanying Ind AS Consolidated financial statements of Kamarhatty Company Ltd. (in the Company") and its Subsidiary (the Company and its Subsidiary together referred to as "the Group"), which comprise the Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (in the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profits and total comprehensive income, changes in equity and its cash flows for the year ended on that date,

Basis for Qualified Opinion

Liability on account of gratuity and leave encashment payable to employees on retirement as on 31st March, 2019 has neither been provided in the accounts nor ascertained. This is not in compliance with Ind AS-19.

The Company has investment of Rs. 378.11 lacs and outstanding balance of loan amounting to Rs.90.70 lakh as on 31st March,2019 with its subsidiary Company which used to generate biomass electricity in the plant at Burdwan. The outstanding Loan is net of Rs.1118.01 lakh repaid by the subsidiary Company till date. The plant has stopped its operation and the possession of Fixed assets including Current Assets at generating plant of the subsidiary company has been taken over by the WBIDC in the year 2012, for non payment of loan and interest thereon due to said financial Institution. As certain amount is still recoverable from WBSEDCL, it is not ascertainable at this stage as to how much loan and investment are likely to be realised ultimately and due to which no impairment has been considered. Refer Note 29(d) to the Notes on financial statements.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SA's). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard except for the matters described in the Basis for qualified opinion.

KAMARHATTY COMPANY LIMITED

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including consolidated total comprehensive income), consolidated changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

KAMARHATTY COMPANY LIMITED

evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in the matter that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.
- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

KAMARHATTY COMPANY LIMITED

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Ind AS Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account. According to information and explanations given to us there was no material Other Comprehensive Income of the Company during the year under report.
- d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note no. 29 in Notes to the Financial Statements)
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Khandelwal Ray & Co.**
Chartered Accountants
Registration No. 302035E

64/55 B, Belgachia Road
Kolkata - 700 037
Dated : 29th day of May, 2019

Sanjay Khandelwal
Partner
Membership No. 054451

KAMARHATTY COMPANY LIMITED

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements section of our report to the Members of Kamarhatty Company Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Kamarhatty Company Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the **Guidance Note on Audit of Internal Financial Controls Over Financial Reporting** issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the **Guidance Note on Audit of Internal Financial Controls Over Financial Reporting** (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted

KAMARHATTY COMPANY LIMITED

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Khandelwal Ray & Co.**
Chartered Accountants
Registration No. 302035E

64/55 B, Belgachia Road
Kolkata - 700 037
Date : 29th day of May, 2019

Sanjay Khandelwal
Partner
Membership No. 054451

KAMARHATTY COMPANY LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2019

(All amounts in INR Lakhs)

Particulars	Notes	31 March 2019	31 March 2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3(a)	3,931.46	3,961.10
Capital work in progress	3(b)	1,466.85	1,125.84
Other intangible assets	4	3.25	2.54
Financial assets			
(i) Investments	5	2.87	2.87
Other non-current assets	6	<u>38.95</u>	<u>26.84</u>
Total non-current assets		<u>5,443.37</u>	<u>5,119.19</u>
Non-controlling interest		274.78	274.58
Current assets			
Inventories	7	5,742.12	5,070.96
Financial assets			
(i) Trade receivables	8(a)	1,453.48	1,771.60
(ii) Cash and cash equivalents	8(b)	72.73	29.36
(iii) Bank balances other than (iii) above	8(c)	136.90	141.94
(iv) Other financial assets	8(d)	104.63	7.13
Current tax assets	9	649.47	599.51
Other current assets	10	<u>263.94</u>	<u>295.97</u>
Total current assets		<u>8,423.26</u>	<u>7,916.48</u>
Total assets		<u>14,141.41</u>	<u>13,310.25</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	561.70	561.70
Other equity	12	<u>2,480.44</u>	<u>2,358.22</u>
Total equity		<u>3,042.14</u>	<u>2,919.92</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13(a)	3,194.52	2,391.06
(ii) Other financial liabilities	13(b)	181.56	179.83
Deferred tax liabilities (net)	14	13.14	11.65
Other non-current liabilities		-	-
Total non-current liabilities		<u>3,389.22</u>	<u>2,582.54</u>
Current liabilities			
Financial liabilities			
(i) Borrowings	15(a)	841.96	892.32
(ii) Trade payables	15(b)	4,188.78	4,094.23
(iii) Other financial liabilities	15(c)	1,254.55	1,214.36
Other current liabilities	16	928.90	1,049.51
Provisions	17	-	-
Current tax liabilities	18	<u>495.86</u>	<u>557.36</u>
Total current liabilities		<u>7,710.05</u>	<u>7,807.79</u>
Total liabilities		<u>11,099.27</u>	<u>10,390.32</u>
Total equity and liabilities		<u>14,141.41</u>	<u>13,310.25</u>
Corporate Information	1		
Summary of significant Accountig Policies	2		

The accompanying notes are an integral part of these Consolidated Financial Statements.
This is the statement of Consolidated Balance Sheet referred to in our report of even date.

For **KHANDELWAL RAY & CO.**
Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451
Kolkata, the 29th day of May, 2019

S.K. AGARWAL
Managing Director

H. NAHATA
Wholetime Director

P. RAKSHIT
CFO

A. LAKHOTIA
CS

KAMARHATTY COMPANY LIMITED
STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(All amounts in INR Lakhs)

Particulars	Notes	31 March 2019	31 March 2018
I. INCOME			
Revenue from operations	19	17,194.77	16,340.64
Other Operating Income	19	482.65	227.34
Other Income	20	371.56	317.99
Total Revenue		<u>18,048.99</u>	<u>16,885.97</u>
II. EXPENSES			
Cost of Materials Consumed	21	10,109.00	9,486.94
Purchase of Traded Goods		694.92	328.69
Change in inventories of finished goods and stock in process	22	(356.67)	(713.43)
Employee benefit expenses	23	3,388.21	3,626.55
Finance Costs	24	393.38	338.71
Depreciation and amortisation expense	25	386.64	373.14
Other expenses	26	3,222.78	3,170.72
Total Expenses		<u>17,838.28</u>	<u>16,611.32</u>
III. PROFIT BEFORE TAX		210.71	274.65
LESS:			
IV Tax Expense:			
- Current tax	43.49		62.04
- Minimum Alternate Tax AVAILED	12.18		26.87
- Deferred Tax LIAB	1.49		-
		<u>57.16</u>	<u>88.91</u>
V Profit for the year before non-controlling interest		153.55	185.73
Add : Share of Loss attributable to non-controlling interest		0.21	3.73
Profit after tax after non-controlling interest		153.75	189.46
Other Comprehensive Income FOR THE YEAR (B)		-	-
vi TOTAL Comprehensive Income for the year(A)+(B)		<u>153.75</u>	<u>189.46</u>
vii Earnings Per Equity Share (nominal value of share Rs.10/- each)			
Basic and Diluted	27	2.73	3.31
Significant Accounting Policies and Notes on financial Statements	1		

The accompanying notes are an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss Account referred to in our report of even date.

For **KHANDELWAL RAY & CO.**

Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner

Membership No. 054451
Kolkata, the 29th day of May, 2019

S.K. AGARWAL
Managing Director

H. NAHATA
Wholetime Director

P. RAKSHIT
CFO

A. LAKHOTIA
CS

KAMARHATTY COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

(All amounts in INR Lakhs)

A. Share capital

Description	Notes	Amount
As at 31 March 2018		561.70
Changes in equity share capital	11	
As at 31 March 2019		561.70

B. Other equity

(All amounts in INR Lakhs)

Description	Notes 12	Reserve and Surplus			Capital Redemption Reserve	Equity instruments through OCI	Total other equity
		Retained earnings	Capital reserve	Security premium			
Balance as at 01 April 2017		1,689.18	297.21	204.00	40.00	-	2,230.40
Profit for the year		189.46	-	-	-	-	189.46
Adjustment for prior period provision							-
Less: Released to the Statement of Profit and loss account		(25.64)	(35.99)	-	-	-	(61.64)
Other Comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		163.82	(35.99)	-	-	-	127.83
Balance as at 31 March 2018		1,853.00	261.22	204.00	40.00	-	2,358.22

Description	Notes 12	Reserve and Surplus			Capital Redemption Reserve	Equity instruments through OCI	Total other equity
		Retained earnings	Capital reserve	Security premium			
Balance as at 01 April 2018		1,853.00	261.22	204.00	40.00	-	2,358.22
Profit for the year		153.75	-	-	-	-	153.75
Adjustment for prior period provision for taxation		-					-
Less: Released to the Consolidated Statement of Profit and loss account			(31.54)				(31.54)
Other Comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		153.75	(31.54)	-	-	-	122.22
Balance as at 31 March 2019		2,006.76	229.68	204.00	40.00	-	2,480.44

The accompanying notes are an integral part of these Consolidated Financial Statements.
This Is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **KHANDELWAL RAY & CO.**
Chartered Accountants,
Registration No. 302035E

SANJAY KHANDELWAL
Partner
Membership No. 054451
Kolkata, the 29th day of May, 2019

S.K. AGARWAL
Managing Director

H. NAHATA
Wholetime Director

P. RAKSHIT
CFO

A. LAKHOTIA
CS

KAMARHATTY COMPANY LIMITED

Consolidated Cash Flow Statement for the Year ended 31st March,2019 as per the Listing Agreement

(All amounts in INR Lakhs)

	For the year ended 31st March,2019	For the year ended 31st March,2018
A. Cash Flow from Operating Activities :		
Net Profit before Tax & extraordinary items	210.71	278.37
Adjustment for:		
Depreciation and amortisation expenses	386.64	373.14
Finance cost	393.38	338.71
Interest income	(14.35)	(13.01)
Debts Written Off	-	13.41
Profit on Sale of Property, Plant & Equipment (net)	(10.97)	(28.65)
Operating Profit before Working Capital changes	<u>965.42</u>	<u>683.59</u>
Adjustment for:		
Trade & other receivables	136.70	(259.44)
Trade payable , Other Current Liabilities and Provisions	(25.49)	1021.20
Increase in Other Financial Liabilities	41.97	91.02
Inventories	(671.16)	(1042.97)
Cash generated from operations	<u>447.45</u>	<u>771.78</u>
Direct Taxes Paid	(64.00)	(75.13)
Net Cash generated from Operating Activities	<u>383.45</u>	<u>696.65</u>
B. Cash Flow from Investing Activities :		
Changes in Capital Work in progress	(341.01)	(245.30)
Purchase of Porperty,Plant & Equipment	(389.69)	(469.33)
Sale of Property , Plant and Equipment (net)	11.41	29.75
Interest Received	14.35	13.01
Net Cash used in Investing Activities	<u>(704.94)</u>	<u>(671.87)</u>
C Cash Flow from Financing Activities		
Proceeds from Non-Current Borrowings	804.15	254.49
(Repayment of) / Proceeds from Current Borrowings	(50.95)	102.32
Interest paid	(393.38)	(338.71)
Capital Subsidy received	-	-
Net Cash generated from Financing Activities	<u>359.81</u>	<u>18.11</u>
Net Increase in Cash & Cash equivalents	<u>38.32</u>	<u>42.88</u>
Cash & Cash equivalents -Opening balance	<u>171.30</u>	<u>128.42</u>
Cash & Cash equivalents -Closing balance	<u>209.62</u>	<u>171.30</u>

The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these Financial Statements.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **KHANDELWAL RAY & CO.**

Chartered Accountants,

Registration No. 302035E

SANJAY KHANDELWAL

Partner

Membership No. 054451

Kolkata, the 29th day of May, 2019

S.K. AGARWAL

Managing Director

H. NAHATA

Wholetime Director

P. RAKSHIT

CFO

A. LAKHOTIA

CS

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note: 1 Corporate Information

The Company is a Public Company within the meaning of Companies Act, 2013. The equity shares of the Company are listed at Calcutta Stock exchange Ltd. The Company's manufacturing facilities are located at 1, Graham Road and its registered office at 16A, Brabourne Road, 8th Floor Kolkata- 700001.

The Company is a leading manufacturer of Jute and Jute allied products, Linyarn & Kraft Paper. The Company also exports jute goods to various countries spread over the world.

Basis of Accounting

(i) Compliance with Ind AS

These consolidated financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

(ii) Basis of Measurement

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention.

iii) Functional and Presentation Currency

The financial statements have been presented in Indian Rupees, which is also the Company's functional currency. All financial information presented in Rupees has been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in the period prospecting in which the results are known / materialized.

Classification of current and non-current

All asset and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 - Presentation of Financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

Note: 2 : SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statement are given below :-

Property, Plant and equipment and Depreciation

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation/amortization if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

- c) Depreciation is provided on Straight line method over the estimated useful lives of the assets. Pursuant to Notification of Schedule II of the Companies Act, 2013 becoming effective, the Company has adopted the useful lives as per the lives specified for the respective fixed assets in the Schedule II of the Companies Act, 2013. No depreciation is provided on Freehold Land.
- d) An impairment loss is recognized where applicable when the carrying amount of property, plant and equipment exceeds its recoverable amount.

Intangible assets and amortization

- a) Intangible assets are stated at cost of acquisition including duties, taxes and expenses incidental to acquisition and installation, net of accumulated depreciation. Recognition of costs as an asset is ceased when the asset is complete and available for its intended use.
- b) Intangible assets comprising of computer software is depreciated on straight line method over a period of five years.
- c) Gains and Losses on disposal of Intangible assets is recognized in the Statement of Profit and Loss.

Impairment of assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (property, plant and equipment) may be impaired. such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to there recoverable amount.

Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased / increased.

Disposal of Assets

An item of Plant, Property and equipment is recognized upon disposal or when no future economic benefit are expected to draw from the continued use of the Assets.

Gains and losses on disposal of Property, plant and equipmentis recognized in the statement of profit and loss.

Capital work in progress

Capital work in progress stated at cost which includes expense incurred during construction / paid interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

An impairment loss is recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount. The carrying value of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and financial liability or equity of another entity.

Financial assets

The financial assets are classified in the following categories:

- a) financial assets measured at amortized cost,
- b) financial assets measured at fair value through profit and loss (FVTPL), and
- c) financial assets measured at fair value through other comprehensive income (FVOCI).

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the Profit or Loss. Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for managing financial assets.

Financial assets measured at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method. The losses arising from impairment are recognized in the Statement of Profit or Loss.

Trade Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment, if any.

Financial instruments measured at FVTPL

Financial instruments included within FVTPL category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Financial assets at FVOCI

Financial assets are measured at FVOCI if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments

The Company measures all equity investments at fair value. The Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, and accordingly there is no subsequent reclassification of fair value gains and losses to profit or loss.

De-recognition of financial asset

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and such transfer qualifies for de-recognition under Ind AS 109 : Financial Instruments.

KAMARHATTY COMPANY LIMITED

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Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Only for Trade receivables, the simplified approach of lifetime expected credit losses is recognized from initial recognition of the receivables as required by Ind AS 109: Financial Instruments.

Impairment loss allowance recognized /reversed during the year is charged/written back to Statement of Profit and Loss.

Financial Liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

For Trade and Other Payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

A financial liability (or a part of financial liability) is de-recognized from Company's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

Subsidy / Government Grant

Subsidy/ Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in Capital Reserves as deferred reserves and are credited to statement of profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Inventories

Raw materials, Stores and Spares parts and components are valued at cost (cost being determined on weighted average basis) or at net realizable value whichever is lower. Cost includes cost of purchase & non refundable taxes and others cost incurred in bringing the inventories to their present location. Stock-in-process are valued at raw materials cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion or at net realizable value whichever is lower. Finished goods are valued at cost or at net realizable value whichever is lower. Cost includes all direct cost and applicable

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

manufacturing and administrative overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

Employee Benefit

- i) The accrued liability on account of gratuity payable to the employees as on 31st March 2019 is neither ascertained nor provided for in accounts. Also liability in respect of employees who have retired till 31.03.2019, is neither ascertained nor provided in the accounts. The same is accounted for as and when paid.
- ii) Liability in respect of leave encashment payable to the employee has not been ascertained and provided for in the accounts.

Revenue Recognition

The Company recognizes revenue at fair value when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of Goods

Revenue from sale of goods is recognized to the extent when significant risks and rewards of ownership are transferred to the customer and the company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of Taxes, Rebates & discount and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

Foreign Currency Transaction

(i) Initial Recognition

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction.

(ii) Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate.

Gains/losses arising out of fluctuations in the exchange rates are recognized in the Statement of Profit and Loss in the period in which they arise.

Gains or Losses in respect of liabilities incurred for acquisition of fixed assets are adjusted in the carrying cost of such assets.

Taxation

Income Tax comprises current and deferred tax it is recognized in the statement of Profit & Loss Account except to the extent that it relates to an item recognized directly in the equity or in other comprehensive income.

Current tax is determined as the amount of tax payable in respect of taxable income for the year based on the

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Review of Deferred Tax Assets

The carrying of deferred tax assets is reviewed at the end of each reporting period and the carrying amount is reviewed to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire amount of deferred tax assets to be utilized.

Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent period.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Other operating Income

Export incentive are recognized when the company's right to receive the property has been established.

Borrowing Cost

The borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing funds.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

Provisions and Contingent Liabilities

f) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable. Contingent Liabilities are shown by way of Notes to Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is not considered probable, hence not provided for. Contingent assets are not recognized though are disclosed, where an inflow of economics benefit is probable .

Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, and balance with bank in current account with a original maturity 3 months of less which are subject to an insignificant risks of change in value.

Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Standards issued but not yet effective

Ind AS 115: Revenue from contracts with customers

The Company is in the process of assessing the detailed impact of Ind AS 115. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Company's revenue recognition for product sales. Consistent with the current practice, recognition of revenue will continue to occur at a point in time when products are dispatched to customers, which is also when the control of the asset is transferred to the customer under Ind AS 115. The Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognized in retained earnings as of 1 April 2019 and that comparatives will not be restated.

Rounding of amount

All amounts disclosed in financial statements have been rounded off to nearest lakh as per requirement of schedule –III unless otherwise stated.

A number of the accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2** - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** – Inputs which are unobservable inputs for the assets or liability.

Financial Risk Management

Liquidity risk

Liquidity risk is the risk that the company may be able to meet its financial obligations as they become due. The company monitors its risk by determining its liquidity requirement in the short, medium and long term. This is done by drawing up cash fore cast for short term and long term. The company manages its risk its liquidity risk in a manner so as to meet its normal financial obligation without any significant delay or stress.

KAMARHATTY COMPANY LIMITED

1) Maturity Analysis for Financial Liabilities:

(All amounts in INR lakhs)

Particular as at 31st March 2019	On Demand	Upto 6 Months	More than 6 months to 1 year	More than 1 year	Total
Borrowing (including current maturity)	777.80	197.98	197.63	1462.62	2636.04
Trade payable	-	4188.78	-	-	4188.78
Other financial Liability as on 31st March, 2019	-	358.24	-	10.97	369.21

Market Risk

Market Risk is the risk that fair value or the future cash flows of the financial instruments will fluctuate because of changes in market price. The market risk comprises of interest risk, foreign currency risk and other price risk. Financial Instruments affected by the market risk include borrowings, trade receivable and trade payable.

1. Interest rate risk is the risk that fair value or the future cash flows of the company's financial instruments will fluctuate because of changes in market interest rate. Such interest rate is actually evaluated and managed through portfolio diversification and secure pre payment / refinancing options where consider necessary.
2. Foreign currency risk is the risk that the fair value or the future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company does not have significant foreign currency exposure.

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in INR Lakhs)

PARTICULARS	GROSS Carrying amount						ACCUMULATED DEPRECIATION				IMPAIRMENT		CARRYING AMOUNT	
	As on 01.04.2018	Addition during the Year	Sales/ Disposal during the Year	As on 31.03.19	As on 01.04.2018	For the Year	Adjustment for Disposals	As on 31.03.19	NET	As on 31.03.19	As on 31.3.2018			
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			
Land (Free Hold)	164.52	-	-	164.52	-	-	-	-	-	164.52	164.52			
Building	1083.24	20.27	-	1103.51	422.49	15.91	-	438.40	-	665.11	660.75			
Plant & Machinery	5843.34	316.88	9.38	6150.85	3045.92	348.34	8.94	3385.32	-	2765.53	2797.43			
Co-generation	304.38	-	-	304.38	243.59	8.63	-	252.22	-	52.15	60.79			
Computer	58.03	3.33	-	61.35	49.89	3.71	-	53.60	-	7.76	8.14			
Electric Installation	365.23	6.74	-	371.97	194.47	18.92	-	213.38	-	158.59	170.76			
Tubewell & Water Supply	15.39	-	-	15.39	7.65	-	-	7.65	-	7.74	7.74			
Furniture Fixture & Other Office Equipments	130.12	3.08	-	133.20	81.86	7.51	-	89.37	-	43.82	48.26			
Motor Vehicles	136.53	38.01	-	174.54	93.81	14.49	-	108.30	-	66.24	42.72			
Total	8100.77	388.31	9.38	8479.70	4139.66	417.51	8.94	4548.24	-	3931.46	3961.10			

1. Motor vehicles include Rs.36.12 lakh acquired in Financing scheme.

2. Refer Note 13(a) and 15(a) for information on property, plant and equipment Hypothecated with Bank as security by the Company.

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NON-CURRENT ASSETS
NOTE 3(a) PROPERTY, PLANT AND EQUIPMENT(GAAP)

(All amounts in INR lakhs)

Particulars	Gross Carrying amount			Accumulated Depreciation			Net carrying amount		
	As at 01.04.2017 Rs.	Addition during the year Rs.	Sales / Disposal Rs.	As on 31.03.2018 Rs.	As on 01.04.2017 Rs.	For the year Rs.	Adjustment for disposal Rs.	As on 31.03.2018 Rs.	As on 31.03.2017 Rs.
Land (Free Hold)	164.52	-	-	164.52	-	-	-	164.52	164.52
Building	1060.50	22.74	-	1083.24	406.98	15.50	-	660.75	653.51
Plant & Machinery	5449.76	416.05	22.47	5843.34	2747.84	319.45	21.37	2797.43	2701.92
Cogeneration	304.38	-	-	304.38	215.65	27.94	-	60.79	88.73
Computer	55.90	2.13	-	58.03	44.75	5.14	-	49.89	11.16
Electric Installation	342.92	22.31	-	365.23	174.63	19.84	-	194.47	168.29
Tubewell & Water Supply	15.39	-	-	15.39	7.65	-	-	7.65	7.74
Furniture Fixture & Other Office Equipments	129.52	0.60	-	130.12	74.85	7.01	-	81.86	54.67
Motor Vehicles	131.03	5.50	-	136.53	80.20	13.61	-	93.81	50.83
Total	7653.91	469.33	22.47	8100.77	3752.54	408.50	21.37	4139.66	3901.37

1 Motor vehicles include Rs. 3.45 lakh acquired in Financing scheme.

2 Refer Note 13(a) and 15(a) for information on property, plant and equipment Hypothecated with Bank as security by the Company.

NOTE 3(b) Capital Work in Progress

PARTICULARS	Gross Carrying amount		
	As on 01.04.2018	Addition during the Year	As on 31.03.19
CAPITAL WORK IN PROGRESS	1125.84	341.01	1466.85

Capital Work in Progress includes (a) Rs.50.36 lakh representing purchase of Land at North (24) parganas West Bengal towards Company's proposed new diversification Project (b) towards Capital expenditure for Company's proposed new Linen Yarn manufacturing Project at Chandannagar. West Bengal for Rs.1372.95 lakh (including land). (c) Effluent treatment water Plant at Paper Unit for Rs.43.53 lakh

NOTE 3(b) Capital Work in Progress(GAAP)

PARTICULARS	Gross Carrying amount		
	As on 01.04.2017	Addition during the Year	As on 31.03.18
CAPITAL WORK IN PROGRESS	880.54	245.30	1125.84

Capital Work in Progress includes (a) Rs.50.36 lakh representing purchase of Land at North (24) parganas West Bengal towards Company's proposed new diversification Project (b) towards Capital expenditure for Company's proposed new Linen Yarn manufacturing Project at Chandannagar. West Bengal for Rs.1075.48 lakh.

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 4 OTHER INTANGIBLE ASSETS

(All amounts in INR lakhs)

Particulars	Gross Block				Depreciation			Net carrying amount	
	As at 01.04.2018 Rs.	Addition during the year Rs.	Sales / Disposal Rs.	As on 31.03.2019 Rs.	As on 01.04.2018 Rs.	For the year Rs.	Adjustment for disposal Rs.	As on 31.03.2019 Rs.	As on 31.03.2018 Rs.
SOFTWARE	35.26	1.38	-	36.64	32.72	0.67		33.39	2.54
TOTAL	35.26	1.38	-	36.64	32.72	0.67		33.39	2.54

NOTE: 4 OTHER INTANGIBLE ASSETS (GAAP)

(All amounts in INR lakhs)

Particulars	Gross Block				Depreciation			Net carrying amount	
	As at 01.04.2017 Rs.	Addition during the year Rs.	Sales / Disposal Rs.	As on 31.03.2018 Rs.	As on 01.04.2017 Rs.	For the year Rs.	Adjustment for disposal Rs.	As on 31.03.2018 Rs.	As on 31.03.2017 Rs.
SOFTWARE	35.26		0	35.26	32.08	0.63		32.72	3.18
TOTAL	35.26		0	35.26	32.08	0.63		32.72	3.18

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note: 5 Investments (Non-current) (All amounts in INR lakhs)

Particulars	Face value	No. of units	31-Mar-19	No. of units	31-Mar-18
I. Mandatorily measured at FVTPL INVESTMENT IN EQUITY INSTRUMENT FULLY PAID UP UNQUOTED - AT COST YATAN TRADE LINK (P) LTD Woodland Multispeciality Hospital Ltd. (formerly East India Clinic Ltd. Non redeemable 5% Debentures Stock 1957)	10 10	1250 3310	2.50 0.33	1250 3310	2.50 0.33
INVESTMENT IN REDEEMABLE SHARE (B'Class) Kamarhatty Jute Mill Employees. Consumers Co.op Stores Ltd. Mandatorily measured at FVTPL INVESTMENT IN 7 YEARS NATIONAL SAVING CERTIFICATE	10	250	0.03	250	0.03
Aggregate amount of Unquoted Investments			2.87		2.87

KAMARHATTY COMPANY LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(All amounts in INR Lakhs)

NOTE: 6 OTHER NON-CURRENT ASSETS**(Unsecured , considered good)**

Particulars	31 March 2019	31 March 2018
Capital advances	38.95	26.84
Total	38.95	26.84

NOTE: 7 INVENTORIES**(At lower of cost or net realizable value)**

Particulars	31 March 2019	31 March 2018
Raw materials	1,346.83	1,060.71
Process Stock	707.50	541.85
Coal	46.19	50.16
Finished goods	3,251.20	3,060.19
Stores and spares parts	390.40	358.05
Total	5,742.12	5,070.96

NOTE: 8(a) TRADE RECEIVABLES

Particulars	31 March 2019	31 March 2018
Unsecured, considered good	1,453.48	1,771.60
Total	1,453.48	1,771.60

NOTE: 8(b) CASH AND CASH EQUIVALENTS

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	6.83	6.50
Balances with banks		
- In current accounts	65.90	22.86
Total	72.73	29.36

NOTE: 8(c) OTHER BANK BALANCES

Particulars	31 March 2019	31 March 2018
FIXED DEPOSITS	136.90	141.94
(pledged with bank as margin)		
Total	136.90	141.94

NOTE: 8(d) OTHER FINANCIAL ASSETS - CURRENT

Particulars	31 March 2019	31 March 2018
Insurance Claim Receivable	98.88	–
Interest accrued on deposits	5.75	7.13
Total	104.63	7.13

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in INR Lakhs)

NOTE: 9 CURRENT TAX ASSETS

Particulars	31 March 2019	31 March 2018
Advance for taxation (including tax deducted at source)	649.47	599.51
Total	649.47	599.51

NOTE: 10 OTHER CURRENT ASSETS

Particulars	31 March 2019	31 March 2018
Prepaid expenses	23.07	11.53
Mat credit entitlement	63.83	76.01
Balances with government authorities	59.24	52.06
Other Deposits	2.55	3.34
Advances for goods and services	69.91	101.81
Other advances (considered good)	13.07	30.65
Advance to Employees	19.46	12.26
Advance to bodies corporate	12.80	8.31
Total	263.94	295.97

NOTE: 11 EQUITY SHARE CAPITAL

A) Authorised share capital

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2017	6,000,000	600.00
Changes during the year		
As at 31 March 2018	6,000,000	600.00
Changes during the year		
As at 31 March 2019	6,000,000	600.00

NOTE: 11 PREFERENCE SHARE CAPITAL

A) Authorised share capital

Particulars	Preference shares	
	Number of shares	Amount
As at 1 April 2017	100,000	100.00
Changes during the year		
As at 31 March 2018	100,000	100.00
Changes during the year		
As at 31 March 2019	100,000	100.00

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in INR lakhs)

B) Issued, subscribed and fully paid-up shares

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2017	5,617,000	561.70
Changes during the year		
As at 31 March 2018	5,617,000	561.70
Changes during the year		
As at 31 March 2019	5,617,000	561.70

C) Details of the shareholders holding more than 5% of equity shares of the Company

Name of the shareholder	31 March 2019		31 March 2018	
	Number	% holding	Number	% holding
Tornado Consultants Ltd.	835000	14.87	835000	14.87
Malsisar Converting Machinery Pvt. Ltd.	550000	9.79	550000	9.79
Echolac Trexim Ltd.	500000	8.90	500000	8.90
Niramaya Investment & Dealers Ltd.	291100	5.18	291100	5.18
Mrs Shakuntala Devi Agarwal	709980	12.64	709980	12.64
Mr Sushant Kumar Agarwal	286000	5.09	286000	5.09

D) Rights, preferences and restrictions attached to equity shares

The Company has only one class of Equity shares having a face value of Rs.10 per share.

Each shareholder is eligible for one vote per share held.

In the event of liquidation, the shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding

The Board has not proposed any dividend for the year

Note: 12 Other equity

A. Reserve and Surplus

Particulars	31 March 2019	31 March 2018
(i) Retained earnings	2,006.76	1,853.00
(II) Revaluation Reserve	-	-
(iii) Capital Reserve	229.68	261.22
(iv) Securities Premium	204.00	204.00
(v) Capital Redemption Reserve	40.00	40.00
Total reserves and surplus	2,480.44	2,358.22

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
(v) Capital Reserve		
Balance as at the beginning of the year	261.22	297.21
Add: Addition during the year	-	-
Less: Release to Statement of Profit and Loss account	(31.54)	(35.99)
Balance at the end of the year	229.68	261.22
(i) Retained earnings		
Balance as at the beginning of the year	1,853.00	1,689.18
Share of Profit net of loss in subsidiary for the year	153.75	189.46
Add: Transfer from Revaluation Reserves	-	-
Less :Adjutment for short provision for tax in prior year	-	(25.64)
Items of other comprehensive income recognised directly in retained earnings	-	-
Balance at the end of the year	2,006.76	1,853.00

Nature and Purpose of Reserves

- a) Capital Reserves represents Government Grants received from Government authorities on account of Investments in Capital assets by the Company.
- b) Securities Premium represents share issued earlier at Premium.
- c) Capital Redemption reserve represents Preference shares issued and redeemed earlier and the corresponding amount has been transferred to CRR.
- d) Retained earnings are the profit that the Company has earned till date less any transfer to general Reserves, dividend or other distribution paid to the shareholders.

B. Other reserves - Equity instruments through Other comprehensive income

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	-	-
Balance at the end of the year	-	-
Total (A+B)	2,480.44	2,358.22

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in INR lakhs)

NOTE: 13(a) BORROWINGS (NON-CURRENT)

Particulars	31 March 2019	31 March 2018
Secured		
(i) TERM LOAN FROM BANK [Refer note (i) to (v) below]	1,824.74	1,285.65
(ii) Long term maturities of Finance lease(car)	33.50	3.45
Unsecured		
(a) LOAN FROM OTHERS	1,731.90	1,456.92
Less: Current maturities of long term debts [refer note 15(c)]	(395.61)	(354.97)
Total	3,194.52	2,391.06

Nature of security

- (i) Term loan from banks amounting to Rs.3,79,51,823/- (31 March 2018 - Rs.4,87,69,405/-) are secured by hypothecation of fixed assets financed by the Term Loan
- (ii) Term loan from banks amounting to Rs.NIL (31 March 2018 - Rs.1,30,02,962/-) are secured by hypothecation of fixed assets financed by the Term Loan
- (iii) ICICI LAP Account secured against security of a property of a Director - amounting to Rs.4,95,72,890/- (31 March 2018 - Rs.6,67,93,941/-)
- (a) Car acquired under finance lease are secured by hypothecation of cars.
- (iv) Term loan from Axis banks amounting to Rs.6,16,64,818/- (31 March 2018 - NIL, are secured by way of collateral security over the Land of the Company at North 24 Parganas, at Kamarhatty & personal guarantee of two of the Directors of the Company.
- (v) OD DROP LINE from Axis banks amounting to Rs.3,50,00,000/- (31 March 2018 - NIL, are secured by way of collateral security over the Land of the Company at North 24 Parganas, at Kamarhatty & personal guarantee of two of the Directors of the Company.

Terms of repayment

- Repayable in 20 equal quarterly instalments beginning from September 2017.
- Repayable in 16 equal quarterly instalments beginning from September 2014.
- Repayable in 60 equated monthly instalments beginning from November 2016.
- Repayable in equated monthly instalments
- Repayable in 84 equal monthly instalments beginning from November 2018.
- Repayable in 70 equal monthly instalments beginning from November 2018

NOTE: 13(b) OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Particulars	31 March 2019	31 March 2018
Security Deposit	181.56	179.83
Total	181.56	179.83

NOTE: 14 DEFERRED TAX LIABILITIES (NET)

Particulars	31 March 2019	31 March 2018
Deferred tax liabilities	11.65	11.65
Deferred tax liability arising out of depreciation	1.49	-
Net deferred tax liabilities	13.14	11.65

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in INR lakhs)

NOTE: 15(a) BORROWINGS (CURRENT)

Particulars	31 March 2019	31 March 2018
Secured:		
Cash Credit from bank [refer note (a) below]	841.96	874.33
Unsecured:		
Packing Credit from Bank (refer note (b) below)	–	17.99
Total	841.96	892.32

Notes:(a) and (b)

- (a) Secured primarily by exclusive hypothecation charge over stocks, books and other current assets of the Company both present & future & collateral equitable mortgage / hypothecation of land, building and plant & machinery of the Company.
- (b) Secured by exclusive hypothecation of stocks meant for export.

NOTE: 15(b) TRADE PAYABLES

Particulars	31 March 2019	31 March 2018
Trade payables (refer note (a) below for dues to Micro, Small and Medium Enterprises)	4,188.78	4,094.23
Total	4,188.78	4,094.23

Note(a) : The Company on query has received information from some vendors regarding their status under the Micro, Small & Medium Enterprises Development Act 2006 and hence based on the information received amounts unpaid at the year end under this Act is Rs 33.82 lakhs.

NOTE: 15(c) OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	31 March 2019	31 March 2018
Current maturities of long-term debt (refer note 13(a))	395.61	354.97
Book Overdraft	358.24	350.30
Advances received from customers	26.79	34.08
Unclaimed amount payable to Preference share holders	10.97	12.06
Payable to WBSEDCL	300.00	300.00
Payable to WBIDC	162.82	162.84
Other Payable	0.12	0.12
Total	1,254.55	1,214.36

- (a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125C of the Companies Act, 2013 as at the end of the year.

NOTE: 16 OTHER CURRENT LIABILITIES

Particulars	31 March 2019	31 March 2018
Statutory dues	693.21	594.14
Electricity dues	99.76	258.99
Other payables	135.92	196.38
Total	928.90	1,049.51

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 17 PROVISIONS (CURRENT)

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Provision for Cess duty / Excise duty on stock	–	–
Total	–	–

NOTE: 18 CURRENT TAX LIABILITIES

Particulars	31 March 2019	31 March 2018
Provision for taxation	495.86	557.36
Total	495.86	557.36

NOTE : 19 OTHER OPERATING INCOME

Particulars	31 March 2019	31 March 2018
Jute Goods	14,205.12	13,205.63
Fine Yarn and Lin Yarn	1,675.34	1,441.04
Kraft Paper	1,314.31	1,693.97
	17,194.77	16,340.64

OTHER OPERATING INCOME

Processing charges received (Tax deducted at source Rs.1,98,309/- P.Y - Rs.1,37,883/-)	143.21	81.92
Profit on Sale of Property,Plant & Equipment	10.97	28.65
Insurance Claim	99.32	5.32
Interest Subsidy	2.11	21.92
Sale of Rep Licence	118.58	28.99
Interest on 10% – Directorate General Supplies & Disposal	39.31	–
Sale of Scrap	29.47	5.79
Profit on Sale of Raw Jute	1.10	3.59
Sale of Stores Material	4.54	–
Foreign Exchange Hedging Income	6.68	–
Export Duty Drawback	27.37	51.16
	482.65	227.34

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE : 20 OTHER INCOME

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Interest income	14.35	13.01
(Tax deducted at source Rs.1,25,592/-)		
Previous Year -Rs.-Rs.1,16,477/-)		
Rental (Gross):	342.55	290.75
(Tax deducted at source Rs.34,25,463/-)		
Previous Year -Rs.29,11,836/-)		
Miscellaneous Income	14.67	14.23
	<u>371.56</u>	<u>317.99</u>

NOTE : 21 COST OF MATERIAL CONSUMED

Details of Principal Raw material Consumed

Raw Jute	8,697.48	7,951.36
Raw Jute from MM	—	—
Flax	235.75	126.81
Jute Batching Oil	219.76	215.42
Dye material	175.00	133.69
Waste paper	719.69	1,006.35
Purchase of Granules	12.64	—
Purchase of 1000 pc Shopping Bag	0.41	—
Purchase of Nylon for Shopping Bag	0.51	—
Purchase of Cloth for Shopping Bag	1.55	—
Chemical	46.21	53.32
	<u>10109.00</u>	<u>9486.94</u>

NOTE : 22 CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS

OPENING STOCK:

Finished Goods	3060.19	2505.99
Stock-in-process	541.85	410.32
Total A	<u>3602.04</u>	<u>2916.31</u>

Less:

CLOSING STOCK:

Finished Goods	3251.20	3060.19
Stock-in-process	707.50	541.85
Total B	<u>3958.70</u>	<u>3602.04</u>
	<u>(356.67)</u>	<u>(685.72)</u>

Less: Cess Duty Provision on Inventory

ON CLOSING STOCK	—	—
ON OPENING STOCK	—	27.70
	<u>—</u>	<u>27.70</u>
Increase in stock in trade	<u>(356.67)</u>	<u>(713.43)</u>

Note : 23 EMPLOYEE BENEFIT EXPENSES

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Salary, Wages and Bonus	2938.62	3129.13
Gratuity	155.72	187.93
Contribution to Provident Fund & Other Funds	280.01	301.57
Staff Welfare	13.86	7.92
	<u>3388.21</u>	<u>3626.55</u>

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE : 24 FINANCE COST

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
a Interest TO BANK	206.07	206.16
b Interest - Others	187.32	132.55
Total	393.38	338.71

NOTE : 25 DEPRECIATION AND AMORTISATION EXPENSES

Depreciation on Tangible Assets	417.51	408.50
Depreciation on Intangible Assets	0.67	0.63
	418.18	409.13
Less : Transferred from Revaluation Revenue	-	-
Less: Transferred from Capital Reserve	31.54	35.99
Total	386.64	373.14

NOTE: 26 OTHER EXPENSES

Particulars	31 March 2019	31 March 2018
Stores & Spare Consumed	340.59	310.96
Power & Fuel	970.83	1064.43
Coal Consumption	224.79	211.08
Packing Material Consumed	128.24	120.65
Repair To Building	48.41	19.20
Repair To Plant & Machinery	339.78	329.23
Repair To Others	47.34	32.37
Branding & Processing Charges	138.16	76.00
Brokerage & Commission	82.60	74.51
Transport Charges	128.47	108.59
Advertisement	0.74	1.58
Bank Charges	37.42	29.76
Conveyance	5.98	4.43
Coolie & Carriage	0.40	0.09
Electric Charges	9.95	9.19
Filing Fees	0.18	0.33
Listing Fees	0.30	0.35
Hire Charges	0.13	0.73
Legal Expenses	15.53	24.39
Motor Car Expenses	26.44	21.97
Office Maintainance	4.43	7.96
Postage & Courier Charges	5.56	3.37
Printing & Stationery	12.82	11.42
Subscription	12.60	15.24
Telephone Expenses	10.50	11.40
Travelling Expenses	16.23	21.44
Security Charges	24.33	20.84
Rates & Taxes	25.09	81.91
Rent	3.98	4.68
Insurance Charges	30.06	34.20
Bad Debts Written Off	-	13.55
Miscellaneous Expenses	455.56	427.36
Corporate Social Responsibility Expenditure	5.17	1.68
Auditors' Remuneration (Note A)	1.70	1.15
Directors' Remuneration	21.70	29.35
Director Fees	1.86	2.03
Professional Fees	44.89	43.32
	3,222.78	3,170.72

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Notes		
a) PAYMENTS TO AUDITORS		
As Auditor		
For Audit fees	0.80	0.81
For Tax Audit	0.15	0.17
Other Capacity		
Company Law matters	0.45	–
Other matters	0.10	–
Certification	0.20	0.17
	1.70	1.15

NOTE : 27 EARNINGS PER SHARE (EPS)

Profit after tax	153.54	185.73
LESS:Preference dividend (including tax thereon)	–	–
Net Profit for calculation of Basic and Diluted EPS (A)	153.54	185.73
Weighted average number of shares outstanding (B)	56.17	56.17
Basic and Diluted Earning per share A/B	2.73	3.31

NOTE: 27 INCOME TAX EXPENSE

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and & non - deductible items.

(a) Income tax expense

(All amounts in INR lakhs)

Particulars	31 March 2019	31 March 2018
Current tax		
Current tax on profits for the year	43.49	62.04
MAT CREDIT AVAILED / (ENTITLEMENT)	12.18	26.87
Total current tax expense	55.68	88.91
Deferred tax		
Increase in deferred tax liabilities	1.49	–
Income tax expense	57.16	88.91

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	31 March 2019	31 March 2018
Profit before tax	210.71	274.65
Tax at the indian tax rate of 27.82% (2017-18 – 33.063%)	58.62	90.81
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	(2.95)	(1.89)
Deferred on unabsorbed depreciation	1.49	–
MAT credit entitlement	–	–
Total income tax expense/(credit)	57.16	88.91

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in INR lakhs)

(c) Details of MAT credit balance available with expiry date

Particulars	31 March 2019	31 March 2018
MAT credit balance		
Expiry		
AY 2030-31	8.60	20.78
AY 2031-32	55.23	55.23
AY 2032-33	-	-
Total	63.83	76.01

NOTE : 29 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Particulars	31 March 2019	31 March 2018
a) Contingent Liability:	-	-
(i) Bank Guarantee – Subsidiary		
Others	375.64	393.77
Claim against the Company not acknowledged as debts:		
(ii) Demand of different Statutory authorities under dispute pending in appeals	2,050.15	2,019.92
The Management feels that the claims are not likely to succeed and hence not provided in the accounts. However the consequential effect of the claims is dependent on disposal of appeals.		
Capital and other commitments		
Estimated amount of Contract remaining to be executed on Capital account (net of advances) and not provided for	62.40	59.65
b) Statutory dues, in respect of, Employees State Insurance are in the process of reconciliation with authorities. Pending reconciliation / confirmation the final amounts payable against these dues has not been ascertained. The same will be accounted for as and when information received.		
c) In terms of Tariff Orders passed by W.B Electricity Regulatory Commission for the financial years 2000-2002 and 2002-2005 respectively a total sum of Rs 41,28,046/- for the period upto June 2004 has become refundable to the Company in terms of direction of the Hon' ble Commission dated 26th July, 2004. As per the said Tariff Order the refund is to be effected only after adjusting previous arrears if any due from the particular consumer. The same is being accounted for as and when received.		
d) The Company has investment of Rs.378.11 lakhs and balance in outstanding advanced loan Rs.90.70 lakh as on date of Balance Sheet with its subsidiary i.e Kamarhatty Power Limited. The Kamarhatty Power Limited was compelled to shut down its 6MW Biomass based Power Plant at Raina, Burdwan from 04.05.2011 due to non recovery of cost for non fixation of supportive tariff rate and non release of eligible dues from WBSEDCL aggregating to Rs.930.87 lacs to whom the entire power was sold.		
e) The Company had filed Writ Petition to Division Bench of the Hon'ble High Court at Calcutta for obtaining the differential rate of tariff from WBSEDCL. The Hon'ble High Court at Calcutta ordered WBSEDCL for making payments of the arrear dues to the Company. The WBSEDCL has made a Special Leave Petition for the Hon'ble Supreme Court of India against the order of the Hon'ble High Court. By order dated 23.03.2015 passed by the Hon'ble Supreme Court of India in connection with the Petition for Special Leave Appeal (c) CC 4437-4438/2015 had uphold the decision of the Hon'ble High Court at Calcutta and directed WBSEDCL to pay the arrear which are due to the Company within six weeks.		
f) By virtue of the Order of the Supreme Court, the Company had received Rs.11.18 crore in aggregate within March 2016 which included an adhoc of Rs.3.00 crore out of the total delayed surcharge due of Rs.5.30 crore. The Hon'ble Supreme Court appointed an Arbitrator for final settlement of the case who had ordered for refund of the on account payment of Rs.3.00 crore back to WBSEDCL by the Company. Against the order of the Arbitrator the Company had gone for an appeal in the Hon'ble High Court at Kolkata where the High Court ordered in favour of the Company.		

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE : 30 RELATED PARTY DISCLOSURES:

Related Party Disclosures as required by Ind AS – 24, 'Related Party Disclosure' are given below:

i) Key Management Personnel:-

Shri S.K. Agarwal, Managing Director
 Shri H. Nahata, Executive Director

Relatives of Key Managerial Personnel: Shri S.K. Agarwal, Shri H.K. Agarwal, Shri D.K. Agarwal, Smt S.D. Agarwal, Smt Kalpana Agarwal, Shri S.K. Agarwal (HUF), Smt Sweta Agarwal, Smt Sarita Agarwal, Smt Priti Agarwal, Shri Rajendra Kr. Bansal, Shri Jagdish Prasad Bansal, Smt Hema Bansal.

b) Transactions with related parties:

i) Remuneration paid to key Managerial Personnel:

(All amounts in INR lakhs)

	31.03.2019	31.03.2018
Late B.P. Agarwal	–	7.95
S.K. Agarwal	11.23	11.23
H.Nahata	10.47	10.17
	21.70	29.35
A. Lakhotia	4.03	1.01
Total	25.73	30.36

a) List of Related Parties.

ii) Parties where control exists.

Name of the Related Party	Nature of relationship
a) Kamarhatty Power Ltd	Subsidiary Company
b) Kamakshi Jute Industries Ltd	Company in which some of the Directors are interested as Directors
c) Hemp Trading Pvt Ltd	Company in which Director is interested as a Director and as a member
d) Annapurna Commercial Company Ltd	Company in which Director is interested as a Director & holds along with his relatives more than 2% of its paid up share capital
e) Kamarhatty Industries Ltd	Company in which Director is interested as a Director & holds along with his relatives more than 2% of its paid up share capital
f) Malsisar Converting Machinery Pvt. Ltd	Company in which Director is interested as a Director.
g) Tornado Consultants Ltd.	Company in which Director is interested as a Director.
h) Keshava Jute Mills Pvt. Ltd.	Company in which Director is interested as a Director.

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

TRANSACTION WITH THE RELATED PARTIES

(All amounts in INR lakhs)

Received From	Relation	Nature of Transaction	Outstanding as on 31.03.2019	Outstanding as on 31.03.2018
B.P. Agarwal (HUF)	Director or Relative of Director of the Company	Loans and Advances	37.65	34.65
Dharmesh Kr. Agarwal (HUF)	Director or Relative of Director of the Company	Loans and Advances	0.75	4.70
Dharmesh Kr. Agarwal	Director or Relative of Director of the Company	Loans and Advances	46.50	62.25
Hema Bansal	Director or Relative of Director of the Company	Loans and Advances	22.30	22.30
Hitesh Kr. Agarwal (HUF)	Director or Relative of Director of the Company	Loans and Advances	40.45	37.05
Hitesh Kr. Agarwal	Director or Relative of Director of the Company	Loans and Advances	25.30	22.80
J.P.Bansal Family Trust.	Director or Relative of Director of the Company	Loans and Advances	5.00	5.00
Jagdish Prasad Bansal (HUF)	Director or Relative of Director of the Company	Loans and Advances	0.90	0.90
Kalpana Agarwal	Director or Relative of Director of the Company	Loans and Advances	40.40	36.40
Paridhi Agarwal	Director or Relative of Director of the Company	Loans and Advances	-	0.75
Priti Agarwal	Director or Relative of Director of the Company	Loans and Advances	-	8.00
Rajendra Kumar Bansal	Director or Relative of Director of the Company	Loans and Advances	2.95	2.95
Ramesh Kumar Agarwal (HUF)	Director or Relative of Director of the Company	Loans and Advances	6.45	23.50
Ramesh Kumar Agarwal	Director or Relative of Director of the Company	Loans and Advances	12.06	26.50
Sakuntala Devi Agarwal	Director or Relative of Director of the Company	Loans and Advances	66.99	59.85
Sarita Agarwal	Director or Relative of Director of the Company	Loans and Advances	56.40	40.40
Sejal Agarwal	Director or Relative of Director of the Company	Loans and Advances	19.25	16.75
Sushant Kr Agarwal (HUF)	Director or Relative of Director of the Company	Loans and Advances	54.75	50.25
Sushant Kumar Agarwal	Director or Relative of Director of the Company	Loans and Advances	63.79	47.60

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in INR lakhs)

Received From	Relation	Nature of Transaction	Outstanding as on 31.03.2019	Outstanding as on 31.03.2018
Sweta Agarwal	Director or Relative of Director of the Company	Loans and Advance	17.50	16.75
Utkarsh Agarwal	Director or Relative of Director of the Company	Loans and Advances	62.35	38.35
Udisha Agarwal	Director or Relative of Director of the Company	Loans and Advances	37.40	31.65
Malsisar Converting Machinery Pvt. Ltd	A Company in which some of the Directors are interested as Director	Loans and Advances	365.75	327.28
Kamarhatty Power Ltd	Subsidiary Company	Note - 1 Advances	90.70	90.03
Keshava Jute Mills Pvt. Ltd	A Company in which some of the Directors are interested as Director	Purchase of finished goods & sale of raw jute & stocks	5.84	1.98
Kamakshi Jute Industries Ltd	A Company in which some of the Directors are interested as Director	Loans and Advances	20.14	13.06
Tornado Consultants Ltd	A Company in which some of the Directors are interested as Director	Loans and Advances & purchase of yarn & raw jute	152.71	157.37

NOTE – 1 :- Advance given

DISCLOSURE ON FINANCIAL INSTRUMENT

This section gives overview of the significance of financial instrument for the Company and provides additional information on balance sheet items that contain financial instruments.

NOTE: 31 FAIR VALUE MEASUREMENTS

Financial instruments by category

(All amounts in INR lakhs)

Particulars	31-March-19			31-March-18		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments		2.87				2.87
Trade receivables		1,453.48				1,771.60
Cash & cash equivalents		72.73				29.36
Bank balances other than cash & cash equivalents		136.90				141.94
Interest accrued on deposits		5.75				7.13
Total financial assets		<u>1,671.72</u>				<u>1,952.90</u>
Financial liabilities						
Borrowings		4,036.48				3,283.37
Trade payables		4,188.78				4,094.23
Security deposit		181.56				179.83
Other payables		1,254.55				1,214.36
Total financial liabilities		<u>9,661.37</u>				<u>8,771.80</u>

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value

- recurring fair value measurements - At 31 March 2019

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	-	-	-	-
- Unquoted investments	-	-	2.87	2.87
Total financial assets	-	-	2.87	2.87

Financial liabilities

Total financial liabilities

(All amounts in INR lakhs)

Financial assets and liabilities measured at fair value

- recurring fair value measurements - At 31 March 2018

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	-	-	-	-
- Unquoted investments	-	-	2.87	2.87
Total financial assets	-	-	2.87	2.87

Level 3 [Fair values determined using valuation techniques with significant unobservable inputs]:

In case of unquoted equity instrument where most recent information to measure the value is not sufficient, cost has been considered as Fair value.

There are no transfers between levels 1 and 2 during the year.

- (a) The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.
- (b) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

KAMARHATTY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 32 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of it in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Diversification of customer base and approved counter parties.
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Foreign Currency Risk	Trade Receivables, Trade payables	Sensitivity analysis	Company does not have significant foreign currency exposure
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Diversified debt portfolio Regular monitoring of borrowings

NOTE 33(I) MATURITY ANALYSIS FOR CONSOLIDATED FINANCIAL LIABILITIES

The following are the remaining contractual maturities of financial liabilities at the reporting date.

(All amounts in INR lakhs)

Contractual maturities of financial liabilities 31 March 2019	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	841.96	–	3,194.52	–	4,036.48
Other financial liabilities	1,254.55	–	181.56	–	1,436.11
Trade payables	4,188.78	–	0.00	–	4,188.78
Total non-derivative financial liabilities	6,285.29	–	3,376.08	–	9,661.37
Contractual maturities of financial liabilities 31 March 2018	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	892.32	–	2,391.06	–	3,283.37
Other financial liabilities	1,214.36	–	179.83	–	1,394.19
Trade payables	4,094.23	–	–	–	4,094.23
Total non-derivative financial liabilities	6,200.91	–	2,570.88	–	8,771.80

KAMARHATTY COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 34 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of it in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Diversification of customer base and approved counter parties.
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Foreign Currency Risk	Trade Receivables, Trade payables	Sensitivity analysis	Company does not have significant foreign currency exposure
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Diversified debt portfolio Regular monitoring of borrowings

NOTE: 35 NET DEBT RECONCILIATION

This section sets out an analysis of net debt and the movements in net debt

Particulars	31-Mar-19	31-Mar-18
Current borrowings	841.96	892.32
Non-current borrowings	3194.52	2391.06
Net debt	4036.48	3283.37

Particulars	Liabilities from financing activities	
	Non-current borrowings	Current borrowings
Net debt as at 01 April 2018	2391.06	892.32
Proceeds from borrowings during the year	1710.44	22697.24
Repayment of borrowings during the year	(906.97)	(22747.59)
Net debt as at 31 March 2019	3194.52	841.96

Note: 36 Previous year figures have been reclassified / regrouped wherever necessary.

KAMARHATTY COMPANY LIMITED

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the companies (accounts) rules,2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

Part "A" : Subsidiaries

(All amount INR lakh)

Sl.No.	1
1 Name of the subsidiary	Kamarhatty Power Ltd.
2 The date since when subsidiary was acquired	2006-07
3 Reporting period for the subsidiary concerned,iff different from the holding company's reporting period	Uniform reporting period
4 Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
5 Share capital	400.00
6 Reserves and surplus	(1138.77)
7 Total Assets	1.23
8 Total liabilities	1.23
9 Investments	–
10 Turnover	–
11 Profit/(Loss) before Taxation	(0.56)
12 Provision for Taxation	–
13 Other comprehensive income	–
14 Profit/(Loss) after Taxation	(0.56)
15 Proposed Dividend	–
16 % of shareholding	63.02%

- Names of subsidiaries which are yet to commence operations None
- Names of subsidiaries which have been liquidated or sold during the year None

Part "B" : Associates and Joint Ventures

Not Applicable

Place: Kolkata

Date : 29th May, 2019

KAMARHATTY COMPANY LIMITED

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF KAMARHATTY COMPANY LIMITED HELD ON SATURDAY, 3RD AUGUST, 2019, AT THE REGISTERED OFFICE OF THE COMPANY AT 16A, BRABOURNE ROAD, KOLKATA – 700001

RESOLUTION UPON THE DEMISE OF SHRI GAUTAM UKIL & APPOINTMENT OF SMT. ILA SENGUPTA, AS INDEPENDENT DIRECTOR

"RESOLVED THAT the Board of Directors hereby record the sudden and untimely sad demise of Shri Gautam Ukil, Independent Director of the Company on 21st June, 2019.

RESOLVED FURTHER THAT the Board took on record a deep appreciation for the assistance and invaluable contribution made by Shri Gautam Ukil, during his tenure as Independent Director of the Company.

"RESOLVED FURTHER THAT Smt Ila Sengupta (DIN: 07752558) be and are hereby appointed as an Independent Director of the Company upon untimely sad demise of Shri Gautam Ukil, in accordance with the provision of Sections 149, 150 & 152 of the Companies Act, 2013 read with Schedule IV and any other applicable provisions of the Act, and Rules made thereunder (including any Statutory modification(s) or re-enactment thereof for the time being in force), to hold office with effect from 3rd August, 2019 for a period of five consecutive years to the conclusion of the Company's Two hundred twenty fifth Annual General Meeting of the Company."

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to sign and file necessary form DIR-12 with ROC of the changes in Directors and complete all necessary formalities in this regard."

//Certified True Copy//

For **Kamarhatty Company Limited**

S. K. Agarwal

Director

DIN : 00546541

Place : Kolkata

KAMARHATTY COMPANY LIMITED

Kamarhatty Company Limited
Regd. Office : 16A, Brabourne Road,
Kolkata – 700 001.
Tel : 91-33-4021 1900

IMPORTANT & URGENT FOR YOUR IMMEDIATE ACTION

May 29, 2019

Dear Shareholder(s),

Sub : (1) Mandatory updation of PAN and Bank Details against your physical holding.
(2) No physical transfers pursuant to SEBI-LODR notification.

The Securities and Exchange Board of India has by its circular SEBI/HO/DOP1/CIR/P/2018/73 dated 20th April, 2018 mandated that the companies through their Registrar and Transfer Agents ("RTA") take special efforts for collecting copies of PAN and Bank Account details for the security of the holders holding securities in physical form.

Those security holders whose folio(s) do not have complete details relating to their PAN and Bank Account, or where there is any change in the bank account details provided earlier, have to compulsorily furnish the details to RTA/ Company for registration /updation.

As per the records available with us, your folio needs to be updated with the PAN/Bank Account details. You are therefore requested to submit the following to update the records within 21 days from the date of receipt of the letter to enable us to update the records.

ACTION REQUIRED FROM YOU

- Enclosed format duly filled in and signed by all the shareholders
- Self-attested copy of PAN Card of all the holders of the security
- Cancelled Cheque leaf with name (if name is not printed, self-attested copy of the pass book showing the name of the account holder) of the first holder
- Address proof (self-attested Aadhaar-card) of the first holder

Members may please be informed that, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018, effective 5th December, 2018, requests for effecting transfer of securities in physical form shall not be processed unless the securities are held in the dematerialized form with a depository. Hence investors are encouraged to demat their physical holding for any further transfer. In case if you have any queries or need any assistance in this regard, please contact:

Kamarhatty Company Limited Regd. Office : 16A, Brabourne Road, Kolkata – 700 001. Tel : 91-33-4021 1900 Email: jute@kamarhatty.com	M/s Maheshwari Datamatics Pvt Ltd. Unit: Kamarhatty Company Limited 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001 Phone No. 91 33 2243-5809/5029 Email: mdpldc@yahoo.com
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Thanking you,

Yours faithfully

For **Kamarhatty Company Limited**
Sd/

Anand Lakhotia
Company Secretary & Compliance Officer

KAMARHATTY COMPANY LIMITED

BANK DETAILS, EMAIL ID & PAN REGISTRATION FORM

To
M/s Maheshwari Datamatics Pvt Ltd.
Unit: **Kamarhatty Company Limited**
23, R.N. Mukherjee Road, 5th Floor
Kolkata – 700 001

Dear Sirs,

I/we give my/our consent to update the following details in your records for effecting payments of dividend and sending other communications by electronic for Equity Shares of Kamarhatty Company Limited.

Folio No. : _____

Name of the First/ sole holder : _____

Bank's Name : _____

Branch's Name & Address : _____

Account No. _____ Account Type (SB/Current) : _____

IFSC Code : _____ MICR Code : _____

Email Id : _____ Phone No. _____

Particulars	Name of Shareholders	PAN
First/Sole Shareholder		
1st Joint Holder		
2nd Joint Holder		

Date : _____

Signature of 1st/Sole Holder

Signature of 1st Jt. Holder

Signature of 2nd Jt. Holder

Encl: Original cancelled cheque leaf/attested bank passbook showing name of a/c holder and copy of self-attested PAN Card(s)

Kamarhatty Company Limited

Registered Office : 16A, Brabourne Road, Kolkata-700 001
Phone No. : 91-33-4021 1900, Fax : 91-33-4021 1999, Email : jute@kamarhatty.com

CIN : L51109WB1877PLC000361

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting Hall)
(Annual General Meeting – 07th September, 2019)

I hereby record my presence at the Annual General Meeting of the Company held on Saturday, 07st September, 2019 at 11:00 A.M. at the Registered Office of the Company.

Full Name of the member (In BLOCK LETTERS):.....

Folio No.....DP ID No.....Client ID No.....

Full Name of Proxy (In BLOCK LETTERS):.....

Member/Proxy(s) Signature:.....

.....**tear hear**.....

FORM NO. MGT-11

PROXY FORM

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

CIN : L51109WB1877PLC000361
Name of the Company : KAMARHATTY COMPANY LIMITED.
Regd Off. : 16A, BRABOURNE ROAD, KOLKATA -700001

Name of the Members:
Registered Address:
E-Mail Id:
Folio No./Client No.:
DP ID:

I / We, being the member(s) of..... shares of the above Company, hereby appoint.

1 Name:..... Address:.....
E-Mail Id:..... Signature:..... or failing him

2 Name:..... Address:.....
E-Mail Id:..... Signature:..... or failing him

3 Name:..... Address:.....
E-Mail Id:..... Signature:.....

As my our proxy to attend and vote (on a poll) for me/us on my/our behalf at the AGM of the Company, to be held on 07th September, 2019 at 11:00 A. M. at the Registered Office of the Company and at any adjournment thereof in respect of such resolution(s) as are indicated below.

Resolution No.	Resolutions	For	Against
1.	Approval of Balance Sheet, Statement of Profit & Loss, report of the Board of Directors and Auditors for the financial year ended 31st March, 2019		
2.	Appointment of Shri Sushant Kumar Agarwal (DIN: 00546541), who retires by rotation		
3.	Re-Appointment of Shri Sushant Kumar Agarwal (DIN: 00546541) as Managing director of the company		
4.	Re-Appointment of M/s SPK Associates as Cost Auditors of the company		
5.	Re-Appointment of Shri Gautam Ukil (DIN: 00056595) as an Independent Director of the Company		
6.	Re-Appointment of Shri Syed Zakir Hussain (DIN: 00079558) as an Independent Director of the Company		
7.	Re-Appointment of Shri Ashis Dasgupta (DIN: 01993187) as an Independent Director of the Company		

Signed this Day of2019

Signature of the Shareholder(s).....

Signature of Proxy(s).....

Affix Revenue Stamp

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