

DIRECTOR'S REPORT

To
The Members
Kaiser Corporation Limited
Mumbai.

Your Directors are pleased to present the Twenty Fifth Annual Report of your Company with the Audited Accounts for the year ended March 31, 2018.

FINANCIAL RESULTS

(Amount in Lakhs)

Particulars	31 March 2018	31 March 2017
Sales Income	1608.83	2268.34
Other income	21.15	38.84
Profit on sale of investments in subsidiary company	-	6.54
Total Income	1629.98	2313.72
Expenditure	1668.12	2149.58
Finance costs	41.75	51.41
Depreciation and amortisation expenses	36.08	37.03
Profit before non-controlling interests/share in net profit /(loss) of associate	(115.97)	75.70
Share of profit /(loss) of associate	1.05	(0.58)
Profit /(loss) before tax	(114.92)	75.12
Current tax	(0.40)	(14.18)
Current tax (MAT)	(0.35)	(4.43)
MAT credit entitlement	0.35	3.13
Deferred tax charge	(0.24)	(21.71)
Tax adjustment of earlier years	(2.38)	(0.20)
Profit /(loss) after tax [A]	(117.94)	37.73
Other comprehensive income / (loss) for the year, net of tax (B)	4.23	(0.29)
Total comprehensive income /(loss) for the year (A + B)	(113.71)	37.44
Total comprehensive income / (loss) attributable to:		
Owners of the Parent	(49.32)	13.59
Non-controlling interests	(64.39)	23.85
Of the Total Comprehensive income / (loss) included above, Profit / (loss) for the year attributable to :		
Owners of the Parent	(51.30)	13.88
Non-controlling interests	(66.64)	23.85
Of the Total Comprehensive income /(loss) included above, Other comprehensive income / (loss) attributable to:		
Owners of the Parent	1.98	(0.29)
Non-controlling interests	2.25	0.00
Earnings per equity share:		
Basic and diluted (in Rs.)	(0.22)	0.07

Your Company's consolidated total income was to the tune of Rs. 1,629.98 lakhs compared to the consolidated income of Rs. 2,307.18 lakhs for the previous year and the net loss of Rs. (114.92) lakhs compared to the net profit of Rs. 75.12 lakhs for the previous year. The Turnover and the profitability of the company has been reduced as compared to the previous year; however your Directors are trying its best to increase the turnover and are sure that the company will be able to show better results in the current year. Further the standalone total income was to the tune of Rs.68.18 lakhs compared to the standalone income of Rs. 80.30 lakhs for the previous year.

Your company with its subsidiary is presently in the business of Compounding for Trunkey project management, engineering services and printing of labels, packaging materials, Magazines and articles of stationery, however its printing business is not presently giving any proper results and hence your Directors are seriously looking after other lucrative business activities which may provide a proper platform to your Company to expand globally and on a large scale.

DIVIDEND:

Your Directors do not recommend any dividend for the year ended March 31 2018.

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

The particulars required to be stated as per the provisions of Section 134(3) (m) of The Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to your Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings: Export of Goods - Rs. 238.12

Foreign Exchange Outgo: – Rs.31.29

DEPOSITORY SYSTEM:

Details of the Depository System are given in the section 'Additional Information' which forms a part of the Corporate Governance Report and is attached with the Annual Accounts.

DIRECTORS:

As per the provisions of section 152 of The Companies Act 2013 Mr. Bhushanlal Arora retires by rotation and being eligible for appointment offers himself for re-appointment. Mr. Bhushanlal Arora may be reappointed as the Managing Director of the Company, subject to the approval of the Shareholders at the ensuing Annual General Meeting.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act, the Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure effectiveness of Board process, participation in the long-term strategic planning, information, functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of committees, effectiveness of Committee meetings, etc.

The Board reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and committee meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role by other Board members.

A separate meeting of Independent Directors was convened in the month of May 2017, to discuss the following aspects:

- i. Review the performance of Non- Independent Directors and the Board as a whole;
- ii. Review the performance of the Chairperson of the Company, taking in to account the views of Executive and Non-Executive Directors;
- iii. Assess the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present at the Meeting and discussed the above and expressed their satisfaction.

TRAINING AND HUMAN RESOURCE MANAGEMENT:

Morale of our professionals continued to be high. The Company continues to put concerted efforts in recruiting quality people. Development and training programs are undertaken where key focus is being given to areas being employee development, growth and satisfaction along with employee relations during the year. The relationship between management and employees continues to be one of mutual respect, appreciation and cordial.

AUDITORS:

The Auditors M/s. Suresh Surana & Associates LLP Mumbai Chartered Accountants (ICAI Registration No: 121750W/W-100010) hold the office until from the conclusion of the ensuing Annual General Meeting and they are eligible for re-appointment as the Auditors of the company. Members are requested to Consider their re-appointment and to fix their remuneration for the year ended 31st March 2019.

The Company has received a confirmation from M/S. Suresh Surana & Associates LLP to the effect that their appointment, if made, will comply with the eligibility criteria in terms of Section 141 (3) of The Companies Act, 2013.

SECRETARIAL AUDIT:

In terms of Section 204 of the Act and Rules made thereunder, Mr. G S Jambekar, Practicing Company Secretary, have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is annexed as Annexure I to this Report. The report is self-explanatory and does not call for any further comments.

DETAILS OF SIGNIFICANT MATERIAL ORDERS:

No significant and material orders were passed by the regulators or the courts or tribunals that may have an impact on the going concern status and Company's operations in foreseeable future.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form MGT 9 is annexed as Annexure III to this Report.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Based on the frame work of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, and Secretarial Auditors and External consultant(s) and the reviews performed by management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a "going concern basis";
- (e) 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

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

During the year the company has not given any new loans and any investments and has not provided any Guarantees except those which are already mentioned in the audited accounts of the company.

SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS:

The company had only one Subsidiary as on 31 March 2018.

The consolidated financial statements of the company and its subsidiary is prepared in accordance with the accounting standards issued by the Institute of Chartered Accountants of India, form part of the Annual Report and are reflected in the consolidated financial statements of the company.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the company consolidated financial statements along with relevant documents and separate audited accounts in respect of its Subsidiary is available on the website of the company.

The annual accounts of its Subsidiary and related detailed information will be kept at the registered office of the company, as also at the registered offices of the respective subsidiary company and will be available to Investors seeking information at any time.

A report on the performance and financial position of the subsidiary in AOC-1 is annexed to the report under Rule 8 of The Companies (Accounts) Rules 2014 as per annexure II.

BOARD MEETINGS AND COMMITTEE MEETINGS:

1. Five(5)Board meetings were held during the year. The details of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.
2. Four(4) Audit Committee meetings were held during the year. The details of the Audit Committee meetings and the attendance of the Directors are provided in the Corporate Governance Report.

RELATED PARTY TRANSACTIONS:

All related party transactions entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Agreement. The details of the transactions with related parties are provided in the accompanying financial statements.

There were no materially significant related party transactions made by the Company during the year that would have required members approval under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), 2015. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has adopted a Whistle blower Policy, to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee

MANAGEMENT DISCUSSION AND ANALYSIS AND REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE:

Pursuant to SEBI (Listing Obligations and Disclosure Requirements), 2015 the Management Discussion and Analysis and the Corporate Governance Report, is presented in a separate section forming part of the Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS:

The company has received necessary declaration from each of the Independent Directors, under Section 149 (7) of The Companies Act, 2013 and that he/she meets the criteria of Independence laid down in Section 149(6) of The Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulation 2015.

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

The company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at Workplace (Prevention, prohibition and Redressal) Act, 2013.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints pertaining to sexual harassment were received during F.Y. 2017-18.

ACKNOWLEDGMENTS:

The Company would like to acknowledge all its stakeholders, Bank of India, SBI and HDFC Bank and its customers, key partners for their support and all its employees for their dedication and hard work.

The Directors appreciate the continued guidance received from various Regulatory Authorities including RBI, SEBI, Ministry of Corporate Affairs, The Registrar of Companies, The Stock Exchange, Mumbai, Income Tax and Sales Tax Authorities.

On Behalf of the Board of Directors

Bhushanlal Arora
Chairman

Place: Mumbai
Date: 29 May 2018