



**Annual Report**  
**of**  
**Kumar Autocast Limited**  
**FY 2023-24**

**BOARD OF DIRECTORS**

(1)	Mr. Arun Kumar Sood	Chairman & Managing Director
(2)	Mr. Ashish Sood	Executive Director
(3)	Mr. Ajay Kumar Sood	Executive Director
(4)	Mr. Shrey Bhutani	Independent Director
(5)	Ms. Ritu Mehra	Independent Woman Director
(6)	Mr. Rakesh Dhanda	Independent Director

**COMPANY SECRETARY**

CS Pranav Khanna

**CHIEF FINANCIAL OFFICER**

Ms. Usha Jayaprakash

**STATUTORY AUDITORS**

M/s Vinay & Associates,  
Chartered Accountants

**SECRETARIAL AUDITOR**

M/s Harshit Arora & Associates,  
Practicing Company Secretaries.

**REGISTRAR AND TRANSFER  
AGENT**

Skyline Financial Services Pvt Ltd  
D-153A, 1<sup>st</sup> Floor,  
Okhla Industrial Area Phase – 1  
New Delhi - 110020

**REGISTERED OFFICE**

C-179, Focal Point, Phase VI,  
Ludhiana-141010, Punjab.  
**E-mail Id:** - asood@kumarautocast.com  
**CIN:** - L27101PB1985PLC006100  
**PAN:** - AAACK6718L

CIN : L27101PB1985PLC006100

**KAL**  
**KUMAR AUTOCAST LIMITED**



Regd, Office & Works : C-179, FOCAL POINT, PHASE VI, LUDHIANA-141 010.

Ph. : 91-161-2672506, 2671428 Fax No. : 91-161-5029829

E-mail: asood@kumarautocast.com, ajaysood@kumarexports.com

www.kumarautocast.com

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**NOTICE**

**NOTICE** is hereby given that the **39<sup>th</sup>** Annual General Meeting of the Members of **Kumar Autocast Limited** will be held on **Friday, 27<sup>th</sup>** day of **September, 2024** at **12:30 P.M.** at the registered office of the company situated at C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab to transact the following businesses:

**ORDINARY BUSINESS:**

**ITEM NO.1: TO RECEIVE & ADOPT AUDITED ANNUAL FINANCIAL STATEMENTS AND OTHER REPORTS**

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024, together with the Reports of the Board and the Directors and the Auditors thereon and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 along with the reports of the Board of Directors and Auditors thereon, be and are hereby received, considered and adopted.”

**ITEM NO.2: RE-APPOINTMENT OF A DIRECTOR LIABLE TO RETIRE BY ROTATION**

To re-appoint Sh. Ajay Kumar Sood (DIN: 00685585), who retires by rotation being eligible, offers himself for reappointment and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force, Sh. Ajay Kumar Sood (DIN: 00685585), Director who retires by rotation at the 39<sup>th</sup> Annual General Meeting, be and is hereby reappointed as Director of the Company.”

## **SPECIAL BUSINESS**

### **ITEM NO. 1: BLANKET APPROVAL FOR RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

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

**“RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the approval of the Company be and is hereby for entering into the following proposed Related Party Transactions at Arm Length Price with respect to sale and purchase of goods and raw material by and from Kumar Autocast Limited for the financial year 2024-25 upto the maximum per annum amounts as appended in table below:

<b>Sr. No</b>	<b>Name of the Related Party</b>	<b>Relationship</b>	<b>Maximum Value of Transaction per Annum</b>
1	Kumar Exports & Kumar Exports In dustries Pvt. Ltd.	Directors having Significant Interest	60 Crores

By Order of the Board  
For **Kumar Autocast Limited**

sd/-

**Date: 02.09.2024**  
**Place: Ludhiana**

(Ajay Kumar Sood)

**Whole Time Director**  
**(DIN: - 00685585)**  
**House No 2086, Phase-1, Dugri Road,**  
**Urban Estate Ludhiana, PB**

*Notes:*

*1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a member of the Company. The proxy, in order to be effective must be received by the Company not less than 48 hours before the Meeting. The Blank Proxy form is enclosed.*

*2. In Compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules 2015, and Regulation 44 of the SEBI (Listed Obligations And Disclosures Requirements) Regulations 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. 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 prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.*

*3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.*

*4. 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 single person as proxy and such person shall not act as a proxy for any other person or shareholder.*

*5. A statement giving the relevant details of the Directors seeking re-appointment and appointment under Item No. 2 of the accompanying Notice is annexed herewith in explanatory statement.*

*6. Members are requested to intimate their queries, if any, related to accounts at least seven days in advance of meeting so that information can be made available and furnished at meeting.*

*7. All documents referred to in the notice, unless otherwise specifically stated will be available for members for inspection at the registered office of the Company between 02.00 pm to 04.00 pm from the date hereof upto the date of Annual General Meeting.*

*8. The register of members and share transfer books shall remain closed from Friday, the 20<sup>th</sup> of September, 2024 to Friday, 27<sup>th</sup> of September, 2024 (Both Days inclusive).*

*9. Mr. Harshit Arora, proprietor of M/s Harshit Arora & Associates has been appointed as scrutinizer for providing the report on results of poll/vote for the resolution passed during the AGM.*

*10. 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 physical form are, therefore, requested to submit their PAN to the Company Skyline Financial Services Private Limited.*

*11. The Result of the resolutions passed at the AGM of the Company will be declared within 48 working hours of Conclusion of AGM. The results declared along with the Scrutinizer Report shall be placed on Company's website and on the website of CDSL and will be communicated to the stock exchanges.*

*12. M/s Harshit Arora & Associates, Company Secretaries, have been appointed as the scrutinizer to scrutinize the e-voting process in fair and transparent manner (including the ballot forms received from members who do not have access to the e-voting process). The scrutinizer shall within a period of three working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the company and make a report of the votes cast in favour or against, if any, forthwith to the chairman of the company.*

*13. In support of the Green Initiative, your Company proposes to send the documents like Notice calling the General Meetings and Annual Report containing Financial Statements, Director's Report etc and other communications in electronic form. We request you to update your email address with your Depository Participant/Company/RTA to ensure that the Annual Report and other communications reach you on your preferred email.*

*14. The Annual Report 2023-24 is being sent through electronic mode only to the members whose email addresses are registered with the Company/ Depository Participant(s), unless any member has requested for a physical copy of the report. The members who have not registered their email addresses, physical copies of the Annual Report 2023-24 are being sent by permitted mode.*

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**THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING ARE AS UNDER:**

- (i) *The voting period begins on 24<sup>th</sup> September, 2024 (9:00 a.m.) and ends on 26<sup>th</sup> September, 2024 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.*
- (ii) *Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.*
- (iii) *Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.*

*Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.*

*In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.*

- (iv) **In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.**

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**Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:**

Type of shareholders	Login Method
<p><b>Individual Shareholders holding securities in Demat mode with CDSL</b></p>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is</li> </ol>



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	<p>available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select "Register Online for IDEAS" "Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
<p><i>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</i></p>	<p><i>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</i></p>

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

<i>Login type</i>	<i>Helpdesk details</i>
<p><i>Individual Shareholders holding securities in Demat mode with CDSL</i></p>	<p><i>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.</i></p>

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**Individual Shareholders holding securities in Demat mode with NSDL**

**Members facing any technical issue in login can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at toll free no.: 1800 1020 990 and 1800 22 44 30**

(v) **Login method for e-Voting for shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) **The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).**
- 2) **Click on "Shareholders" module.**
- 3) **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. **Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.**
- 4) **Next enter the Image Verification as displayed and Click on Login.**
- 5) **If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.**
- 6) **If you are a first-time user follow the steps given below:**

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
<b>PAN</b>	<p><b>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</b></p> <ul style="list-style-type: none"> <li>• <b>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</b></li> </ul>
<b>Dividend</b>	<b>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy)</b>

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<b>Bank Details</b>	<i>format) as recorded in your demat account or in the company records in order to login.</i>
<b>OR Date of Birth (DOB)</b>	<ul style="list-style-type: none"> <li>• <i>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 (3).</i></li> </ul>

- (vi) *After entering these details appropriately, click on “SUBMIT” tab.*
- (vii) *Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.*
- (viii) *For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.*
- (ix) *Click on the EVSN 240902031<KUMAR AUTOCAST LIMITED> on which you choose to vote.*
- (x) *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.*
- (xi) *Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.*
- (xii) *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.*
- (xiii) *Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.*

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- (xiv) *You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.*
- (xv) *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 prompted by the system.*
- (xvi) *Facility for Non – Individual Shareholders and Custodians –Remote Voting*
- *Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.*
  - *A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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.*
  - *Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [asood@kumarautocast.com](mailto:asood@kumarautocast.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.*

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**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

- 1. For Physical shareholders- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.*
- 2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)*
- 3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.*

*If you have any queries or issues regarding attending EGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-toll free no. 1800 22 55 33.*

*All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33.*

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

### **ITEM NO. 2 OF THE ORDINARY BUSINESS**

#### **INFORMATION AND DETAILS REGARDING DIRECTORS SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING:**

<b>Name of the Director</b>	<b>AJAY KUMAR SOOD</b>
<b>Director Identification Number (DIN)</b>	00685585
<b>Date of Birth</b>	26/08/1954
<b>Nationality</b>	Indian
<b>Date of Appointment on Board</b>	01/10/2007
<b>Qualification</b>	LLB
<b>No. of Shares Held</b>	1352280
<b>List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)</b>	NIL
<b>Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies</b>	NIL
<b>Relationship with other Directors</b>	Related to Mr. Arun Kumar Sood and Mr. Ashish Kumar Sood

None of the other Directors/ Key Managerial Personnel (KMP) of the company/their relatives is concerned or interested, financial or otherwise, in the resolution set out at item No. 2.

By Order of the Board  
For **Kumar Autocast Limited**

Place: Ludhiana  
Date: 02.09.2024

Sd/-  
(Ajay Kumar Sood)  
Whole Time Director  
(DIN: - 00685585)

CIN : L27101PB1985PLC006100

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[www.kumarautocast.com](http://www.kumarautocast.com)

**House No 2086, Phase-1, Dugri Road,  
Urban Estate Ludhiana, Pb**

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**KAL**  
**KUMAR AUTOCAST LIMITED**



Regd, Office & Works : C-179, FOCAL POINT, PHASE VI, LUDHIANA-141 010.

Ph. : 91-161-2672506, 2671428 Fax No. : 91-161-5029829

E-mail: asood@kumarautocast.com, ajaysood@kumarexports.com

www.kumarautocast.com

**ATTENDANCE SLIP**

Members Folio No :

Client ID No :

DP ID No :

Name of the Member :

Name of the Proxy Holder :

No of Shares held :

I/We record my/our presence at the Annual General Meeting of **KUMAR AUTOCAST LIMITED** being held on **Friday, 27<sup>th</sup> day of September, 2024** at **12:30 P.M** at registered office of the Company situated at C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.

**(Signature of Member/Proxy)**

**NOTES:**

- 1. Shareholder/ Proxy is requested to bring the Attendance Slip duly signed for admission to the meeting hall.**
- 2. Physical copy of notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members**



# KAL KUMAR AUTOCAST LIMITED

Regd, Office & Works : C-179, FOCAL POINT, PHASE VI, LUDHIANA-141 010.

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## 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]*

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

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

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him
2. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him
3. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of the Company, to be held on the Friday, 27<sup>th</sup> day of September, 2024 at 12:30 p.m. at Registered Office of the Company situated at C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab. and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>RESOLUTIONS:-</b>	
<b>ORDINARY BUSINESS</b>	
1.	<b>ADOPTION OF STATEMENT OF PROFIT &amp; LOSS, BALANCE SHEET, REPORT OF DIRECTOR'S AND AUDITOR'S FOR THE FINANCIAL YEAR 31<sup>ST</sup> MARCH, 2024</b>
2.	<b>RE-APPOINTMENT OF SH. AJAY KUMAR SOOD</b>
<b>SPECIAL BUSINESS:</b>	
1.	<b>BLANKET APPROVAL FOR RELATED PARTY TRANSACTIONS UNDER SECTION</b>

Signed this..... day of..... 2024.

Affix  
Revenue  
Stamp  
of RE 1

Signature of shareholder: \_\_\_\_\_ Signature of proxy holder(s): \_\_\_\_\_

**Notes:**

- 1. 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**
- 2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy and such person cannot act as a proxy for any other person or shareholder.**
- 3. In case of joint holders, the signature of any holder will be sufficient, but names of all the joint holders should be stated.**
- 4. For the Resolutions, Explanatory Statement and Notes, Please refer to the Notice of the Annual General Meeting.**
- 5. Please complete all details including details of member(s) in above box before submission.**

# KAL KUMAR AUTOCAST LIMITED

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Ph. : 91-161-2672506, 2671428 Fax No. : 91-161-5029829

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## DIRECTORS' REPORT

To,

The Members,

The Directors of your Company have pleasure in presenting their **39<sup>th</sup> Annual Report** on the affairs of the Company together with the Audited Accounts of the Company for the year ended **March 31, 2024**.

### 1. FINANCIAL RESULTS.

The Company's financial performance, for the year ended March 31, 2024 is summarized below:

(Amt. in Lacs)

PARTICULARS	2023-24	2022-23
Revenue from operations(Gross)	4285.43	4734.37
Profit before Depreciation, Interest & Tax (PBDIT)	162.59	235.02
Less: Interest & Financial Expenses	48.07	50.30
Profit Before Depreciation & Tax (PBDT)	114.52	184.72
Less: Depreciation	49.55	51.23
Profit Before Tax (PBT)	64.97	133.49
Less: Current Tax	20.38	10.66
Earlier year	0.03	0.21
Deferred Tax Charge	(4.28)	(3.30)
Add: Deferred Tax Assets	-	-
<b>Profit For The Period and After Tax (PAT)</b>	<b>48.84</b>	<b>125.92</b>

<b>Other Comprehensive Income for the year net of Tax</b>	2.38	1.18
<b>Total Comprehensive Income for the Year</b>	51.22	127.10
<b>Earnings Per Share (Rs.)</b>		
-Basic	0.47	1.21
-Diluted	0.47	1.21
<b>Balance Available for Appropriation</b>	51.22	127.10
Less: Proposed Dividend on Equity Shares	-	-
Tax on Proposed Dividend	-	-
Transfer to General Reserve	-	-
<b>Surplus Carried to Balance Sheet</b>	51.22	127.10

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ending 31<sup>st</sup> March 2024, the company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013 in terms of Rule 7 of The Companies (Accounts) Rules, 2014) and the relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

## **2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

### **A. FINANCIAL ANALYSIS AND STATE OF COMPANY AFFAIRS:**

#### **PRODUCTION & SALES REVIEW:**

During the year, the Revenue from operations was **Rs. 4285.43 Lacs** as against **Rs. 4734.37 Lacs** in the previous year. The Company earned other income of **Rs. 7.67 Lacs** during the year as against **Rs. 10.96 Lacs** during last year.

#### **PROFITABILITY:**

During the current year, the Company incurred profit before depreciation, interest and tax of **Rs. 162.59 Lacs** as against PBDIT of **Rs. 235.02 Lacs** in the previous year. After providing for depreciation of **Rs. 49.55 Lacs** (Previous Year **Rs. 51.23 Lacs**), the profit after tax was **Rs. 48.84 Lacs** as against loss of **Rs. 125.92 Lacs** last year.

### **B. RESOURCE UTILISATION:**

#### **FIXED ASSETS:**

The net fixed assets as at 31<sup>st</sup> March, 2024 were **Rs. 351.52 Lacs** as against previous year's fixed assets of **Rs. 404.54 Lacs**. During the year, there was addition of fixed assets amounting to **Rs. 25.26 Lacs** Previous Year **Rs. 12.18 Lacs**.

**CURRENT ASSETS:**

The net current assets as on 31<sup>st</sup> March, 2024 were **Rs. 1461.61 Lacs** as against **Rs. 1956.18 Lacs** in the previous year.

**C. FINANCIAL CONDITIONS AND LIQUIDITY:**

Management believes that the Company's liquidity and capital resources are sufficient to meet its expected working capital needs and other anticipated cash requirements. The position of liquidity and capital resources of the Company is given below: -

**CASH AND CASH EQUIVALENTS:**

<i>(Amt in Lakhs.)</i>		
Particulars	2023-24	2022-23
Beginning of the Year	(360.12)	(221.81)
End of the Year	206.16	(360.12)
<b>Net Cash provided/(used) by:</b>		
- Operating Activities	608.21	(63.44)
- Investing Activities	4.48	(6.89)
- Financing Activities	(46.41)	(67.99)

**3. DIVIDEND**

The company has not declared or paid any dividend during the year and has not proposed final dividend for the year **2023-24**.

**4. EXTRACT OF ANNUAL RETURN**

As required pursuant to **Section 92(3)** of the Companies Act, 2013 and **Rule 12(1)** of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT-9** as a part of this Annual Report as **ANNEXURE I**.

**5. DIRECTOR'S RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended 31st March, 2024 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that 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;
- c) that the Directors had taken proper and sufficient care for the 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;
- d) that Directors' have prepared the annual accounts on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) 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.

#### **6. COMMENTS ON AUDITORS REPORT**

The Audit Reports and the qualifications, reservation or adverse remark or disclaimers are self-explanatory if any made:

- (i) By the auditor in his report; and
- (ii) By the company secretary in practice in his secretarial audit report.

#### **7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

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

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The details of material contracts/ arrangements/ transactions at arm's length basis for the year ended 31st March,2024 is annexed hereto in **Form AOC-2** and forms part of this report as **ANNEXURE-II**.

#### **9. TRANSFER TO RESERVES**

NIL amount is transferred to the General Reserve.

#### **10. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

In accordance with the provisions of Section 125(2) of the Companies Act, 2013 company has not having any unpaid dividend or excess share application amount in the book of accounts. As company has not declared any dividend in the previous year, hence no amount is transferred to Investor Education and Protection Fund.

#### **11. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL**

**YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

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

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

Energy conservation continues to be an area of major emphasis in our Company. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. Particulars with respect to conservation of energy and other areas as per Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are annexed hereto and form part of this report as **ANNEXURE III** and is attached to this report.

**13. CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions as per section 135 of Companies Act, 2013 are not applicable.

**14. SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

**15. FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12), OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.**

The Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company.

**16. DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2023-24.

**17. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

As Company has not done any one time settlement during the year under review hence no disclosure is required.

**18. DETAILS OF MONEY ACCEPTED FROM DIRECTOR**

During the period under review, the Company has not accepted money in the form of unsecured loan from the director or relative of the director of the Company.

**19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

## 20. FINANCIAL HIGHLIGHTS

(Amt. in Lacs)

PARTICULARS	2023-24	2022-23	2021-22	2020-21	2019-20
Revenue from operations (Gross)	4285.43	4734.37	4306.59	3799.69	3492.42
<b>TOTAL INCOME</b>	4293.10	4745.33	4312.42	3799.69	3492.42
Earnings before Depreciation, Finance Cost & Tax expenses (EBDIT)	162.59	235.02	(14.88)	256.32	293
Less: Depreciation & Amortization	49.55	51.23	60.00	60.74	55.85
Finance Cost	48.07	50.30	37.99	46.94	47.93
<b>PROFIT FOR THE YEAR</b>	<b>48.84</b>	<b>125.92</b>	<b>(110.19)</b>	<b>114.61</b>	<b>136.22</b>
Equity Dividend%	-	-	-	-	-
Dividend payout	-	-	-	-	-
Equity Share Capital	1037.40	1037.40	1037.40	1037.40	518.70
Equity Share Suspense Account	-	-	-	-	-
Equity Share warrants	-	-	-	-	-
Reserves & Surplus	366.68	320.21	195.48	302.42	722.31
<b>Net Worth</b>	<b>1404.08</b>	<b>1357.61</b>	<b>1232.88</b>	<b>1339.82</b>	<b>1241.01</b>
<b>Borrowings (Long term &amp; Short term)</b>	<b>12.75</b>	<b>614.8</b>	<b>454.09</b>	<b>534.52</b>	<b>434.95</b>
Gross Fixed Assets	739.55	759.85	747.68	744.96	673.19
<b>Net Fixed Assets</b>	<b>351.52</b>	<b>404.54</b>	<b>443.58</b>	<b>500.88</b>	<b>483.97</b>
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Face Value Per Share	10	10	10	10	10
<b>EPS (Basic)</b>	<b>0.47</b>	<b>1.21</b>	<b>(1.06)</b>	<b>1.10</b>	<b>2.63</b>



&Diluted)					
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**21. DEPOSITS**

The Company has not accepted and does not intend to accept any deposits from the public. As at 31<sup>st</sup> March, 2024 there are no outstanding/unclaimed deposits from the public.

**22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

**23. NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has Zero tolerance towards any action on the part of any one which may fall under the ambit of ‘Sexual Harassment’ at workplace, and is fully committed to uphold and maintain the dignity of every women working with the Company. The Policy framed by the Company in this regard provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

**24. PARTICULARS NO. OF COMPLAINTS TO PREVENTION OF SEXUAL HARASSEMENT COMMITEE**

Number of Complaints pending as on beginning of the financial year NIL

Number of Complaints filed during the financial year NIL

Number of Complaints pending as on the end of the financial year NIL

**25. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal audit in the organization is an independent appraisal activity and all significant issues are brought to the attention of the Audit Committee of the Board.

**26. INTERNAL FINANCIAL CONTROL:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

**27. CORPORATE GOVERNANCE**

Your company ensure to evolve and follow the corporate governance guidelines and best practices diligently, not just to boost long-term shareholder value, but also to respect rights of the minority. We consider it our inherent responsibility to disclose timely and accurate information regarding the operations and performance, leadership, and governance of the Company.

Pursuant to the SEBI Listing Regulations, the Corporate Governance Report for F.Y 2023-24 is as follows:-

## **NUMBER OF MEETINGS OF THE BOARD**

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Registered Office, Ludhiana to discuss the complex business strategies. The Agenda of the Board / Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met **NINE (09)** times in financial year 2023-24 viz., on the following dates:

<b>S. No.</b>	<b>Date of Board meeting</b>	<b>Directors present in the Board Meeting</b>
1.	30-05-2023	6
2.	09-06-2023	6
3.	01-07-2023	6
4.	11-07-2023	6
5.	14-08-2023	6
6.	06-09-2023	6
7.	07-09-2023	6
8.	10-11-2023	6
9.	09-02-2024	6

The maximum interval between any two meetings did not exceed 120 days. The details of attendance of each Director at Board Meetings are as follows:

<b>S. No.</b>	<b>Name of Director</b>	<b>Board Meetings</b>		
		<b>No. of meetings held</b>	<b>No. of meetings entitled to attend</b>	<b>No. of meetings attended</b>
1.	ASHISH SOOD	9	9	9
2.	AJAY KUMAR SOOD	9	9	9
3.	ARUN KUMAR SOOD	9	9	9
4.	RAKESH DHANDA	9	9	9
5.	SHREY BHUTANI	9	9	9
6.	RITU MEHRA	9	9	9

### **A. DIRECTORS**

#### **i. APPOINTMENTS**

##### **INDEPENDENT/WOMEN DIRECTOR**

No Independent Directors have been appointed during the year.

##### **INDEPENDENT DIRECTORS' DECLARATION**

The Company has received the necessary declarations from Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, there has been no change in the circumstances which may affect their status as independent directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

ii. **RETIREMENT BY ROTATION**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 **Sh. Ajay Kumar Sood (DIN: 00685585), Whole time Director, Sh. Arun Kumar Sood (DIN: 00685937), Managing Director and Sh. Ashish Kumar Sood (DIN: 00672179) Whole Time Director** of the Company retires by rotation and being eligible offers themselves for re-appointment.

**B. KEY MANAGERIAL PERSONNEL**

During the financial year under review, the company has complied with the provisions of section 203 of Companies Act, 2013.

**C. FAMILIARISATION PROGRAMME FOR DIRECTORS**

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarize the new Directors with the Company's business operations. The new Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company. Visits to plant locations are organized for the new Directors to enable them to understand the business better.

**D. BOARD EVALUATION**

Pursuant to the provisions of the **Section 134** of the Companies Act, 2013 read with **Rule 8(4)** of the **Companies (Accounts) Rules, 2014**, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The performance evaluations of all the independent Directors have been done by the entire board excluding the director being evaluated. On the basis of the performance evaluation done by the board it shall be determined whether to extend or continue their term of appointment, whenever their respective term expires.

**28. BOARD COMMITTEES**

**A. AUDIT & RISK MANAGEMENT COMMITTEE.**

The Audit & Risk Management Committee after reconstitution comprises of three non-executive directors i.e. **Sh. Shrey Bhutani, Sh. Rakesh Dhanda, Smt. Ritu Mehra** and one executive director **Sh. Ajay Kumar Sood**. Sh. Shrey Bhutani is the Chairperson of the said committee. The Committee met Five times, during the year under review.

#### **B. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee after reconstitution consists of three non-executive directors i.e. **Sh. Shrey Bhutani, Sh. Rakesh Dhanda, and Smt. Ritu Mehra**. **Sh. Shrey Bhutani** is the Chairperson of the said committee. The Committee has formulated policy relating to appointment of Directors, Payment of Managerial remuneration, Director's qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) & (4) of Companies Act, 2013 which was subsequently approved by board of Directors. The Committee met two times, during the year under review.

#### **C. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee of the Board of Directors after reconstitution comprises of three non-executive directors i.e. **Sh. Shrey Bhutani, Sh. Rakesh Dhanda, and Smt. Ritu Mehra** and one executive director **Sh. Ajay Kumar Sood**. Sh. Shrey Bhutani is the Chairperson of the said committee. The Committee met once a year during the year under review.

### **29. POLICIES**

#### **A. VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

Pursuant to provisions of **Section 177 (9)** of the Companies Act, 2013, the Company has established a "Vigil Mechanism" incorporating Whistle Blower Policy in terms of the Listing Agreement for employees and directors of the Company, for expressing the genuine concerns of unethical behavior, frauds or violation of the codes of conduct by way of direct access to the Chairman/Chairman of the Audit Committee in exceptional cases. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns.

The vigil Mechanism/ whistle blower policy forms part of this report as ANNEXURE VIII (ii) and also available at the company's website link <https://www.kumarautocast.com/policies.html> under the title Investor Section – Policies.

#### **B. REMUNERATION POLICY**

The Nomination & Remuneration Committee of the Company has formulated the Nomination & Remuneration policy on Director's appointment and remuneration includes the criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under **Section 178(3)** of the Companies Act, 2013. The Nomination & Remuneration Policy is annexed thereto and form part of this Report as ANNEXURE V.

The criterion of making payments to non-executive directors/ remuneration policy is annexed thereto and form part of this Report as ANNEXURE VIII (iii) and is available at the company's website link <https://www.kumarautocast.com/policies.html> under the title Investor Section – Policies.

#### **C. RISK MANAGEMENT POLICY**

The Audit & Risk Management Committee has formulated Risk Management Policy of the Company which has been subsequently approved by the Board of Directors of the Company. The aim of risk management policy is to maximize opportunities in all activities and to minimize adversity. The policy includes identifying types of risks and its assessment, risk handling and monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

The risk management policy forms part of this report as ANNEXURE VIII (iv) and also available at the company's website link <https://www.kumarautocast.com/policies.html> under the title Investor Section – Policies.

#### **D. RELATED PARTY TRANSACTION POLICY**

Related Party Transaction Policy, as formulated by the Company defines the materiality of related party transactions and lays down the procedures of dealing with Related Party Transactions that may have potential conflict with the interest of the Company at large. Transactions entered with related parties as defined under the Companies Act, 2013 during the Financial Year 2023-24 were mainly in the Ordinary Course of business and on an arm's length basis. Prior approval of the Audit and Risk Management Committee is obtained by the Company before entering into any Related Party Transaction as per the applicable provisions of the Companies Act, 2013.

#### **E. CODE OF CONDUCT**

The company has its Code of Conduct which extends to all directors and senior employees of the company which aims at maintaining highest standards of business conduct in line with the Ethics of the Company, provides guidance in difficult situations involving conflict of interest & moral dilemma and ensures compliance with all applicable laws. All senior employees have to read and understand this code and agree to abide by it.

The code of conduct forms part of this report as ANNEXURE VIII(v) and also available at the company's website link <https://www.kumarautocast.com/policies.html> under the title Investor Section – Policies.

#### **F. DIVIDEND DISTRIBUTION POLICY**

The equity shares of Kumar Autocast Limited (“the Company”) are listed on Metropolitan Stock Exchange of India. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website. The dividend distribution shall be in accordance with the applicable provisions of the Companies Act, 2013, Rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other legislations governing dividends and the Articles of Association of the Company, as in force and as amended from time to time. The Board of Directors of the Company (“the Board”) has approved the Dividend Distribution Policy of the Company (“the Policy”) which endeavors to enhance stakeholder value for its investors and at the same time tries to ensure the right balance between the quantum of dividend paid and the amount retained for various business purposes. The Board will recommend dividend distribution based on various internal and external factors, while striving for fairness, consistency and sustainability.

The dividend distribution policy forms part of this report as ANNEXURE VIII (vi) and also available at the company's website link <https://www.kumarautocast.com/policies.html> under the title Investor Section – Policies.

#### **G. MATERIALITY POLICY**

The Policy is framed by the Board of Directors of Kumar Autocast Limited in line with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'):

- to provide an overall governance framework for determination of materiality of events /information;
- to ensure timely and adequate disclosures of material events / information fully, fairly, correctly and transparently to the Stock Exchange(s), in pursuance with the Listing Regulations, to enable present and potential investors to take informed decision/s with respect to their investment in the Company.

The Materiality policy forms part of this report as ANNEXURE VIII (vii) and also available at the company's website link <https://www.kumarautocast.com/policies.html> under the title Investor Section – Policies.

### **30. AUDITORS AND AUDITORS REPORT**

#### **A. STATUTORY AUDITORS**

According to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors), Rules, 2014 **M/s Vinay & Associates, Chartered Accountants, Ludhiana**, were appointed as Statutory Auditors of the company for a period of Five years from the conclusion of 37<sup>th</sup> Annual General Meeting till the conclusion of 42<sup>nd</sup> AGM at a remuneration as approved by Chairman of the company.

#### **B. SECRETARIAL AUDITOR**

**M/s Harshit Arora**, Company Secretary in Practice, was appointed as Secretarial Auditor of the Company by the Board of Directors for the financial year 2023-24.

The Secretarial Auditors of the Company have submitted their Report in Form No. MR-3 as required under Section 204, of the Companies Act, 2013 for the financial year ended 31<sup>st</sup> March, 2024. The Report forms part of this report as **ANNEXURE IV**.

#### **C. INTERNAL AUDITOR:**

**M/s J.S Bahl & Co, Chartered Accountants**, were appointed as Internal Auditor of the Company pursuant to provisions of **Section 138** of the Companies Act, 2013 by the Board of Directors to conduct internal audit of the functions and activities of the Company and maintain internal control systems of the Company.

### **31. SHARES**

#### **A. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

#### **B. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

#### **C. BONUS SHARES**

The Company has not issued any Bonus Shares during the year under review.

#### **D. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme.

#### **32. HUMAN RESOURCES /INDUSTRIAL RELATIONS:**

The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. Performance management is the key word for the company. Number of Employees as on 31<sup>st</sup> March, 2024 were 192.

Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of the various plants.

#### **33. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

The disclosures in respect of managerial remuneration as required under section 197(12) read with **Rule 5(1)** of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto and form part of this report as **ANNEXURE VI**.

None of the employee of the Company receives salary of **Rs. 1,02,00,000/-** per annum or **Rs. 8,50,000/-** per month or more during the Financial Year 2023-24 as per Rule **5(2)** and **5(3)** Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

In terms of section **197(14)** of the Companies Act, 2013, the Company does not have any Holding or Subsidiary Company.

#### **34. LISTING WITH STOCK EXCHANGE**

Your company is listed on Metropolitan Stock Exchange of India (formerly known as MCX Stock Exchange Ltd.) thereby having its Shares Listed on Recognized Stock Exchange with nationwide terminals.

#### **35. STATUTORY DISCLOSURES**

None of the Directors of the Company are disqualified under the provisions of section 164 of the Companies Act 2013. The Directors have made the requisite disclosures, as required under the Companies Act 2013.

##### **A. OTHER DISCLOSURES**

The other disclosures relating to details of non-compliance by the listed entity, penalties, structures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years; If any, have been mentioned in Secretarial Audit Report for the FY 2023-24, given as Annexure-VI below.

#### **36. ACKNOWLEDGEMENT**

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive co-operation extended by them. Your

Directors would like to express their grateful appreciation for the assistance and support by all Government Authorities, Auditors, financial institutions, banks, suppliers, other business associates and last but not the least the Shareholders.

By and on behalf of the Board  
**Kumar Autocast Limited**

Dated: 02.09.2024  
Place: Ludhiana

Sd/-  
**Ajay Kumar Sood**  
**(Whole-time Director)**  
**DIN: 00685585**  
**House No 2086, Phase-1, Dugri Road,**  
**Urban Estate Ludhiana 141003 PB**

Sd/-  
**Arun Kumar Sood**  
**(Managing Director)**  
**DIN: 00685937**  
**House No 2087, Urban Estates Phase-1**  
**Dugri Model Town, Ludhiana 141002 PB**



**ANNEXURE 1 - EXTRACT OF ANNUAL RETURN**

(Referred to Paragraph 17 under "Annual Return" section of our Report of even date)

**FORM NO. MGT 9**

As on financial year ended on 31.03.2024

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

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L27101PB1985PLC006100
2	Registration Date	09/01/1985
3	Name of the Company	KUMAR AUTOCAST LIMITED
4	Category/Sub-category of the Company	Company Limited By Shares Non-govt company
5	Address of the Registered office & contact details	C-179, Focal Point, Phase VI, Ludhiana, Punjab 141003. Telephone No: 0161-267142
6	Whether listed company	Listed
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services (P) Ltd D – 153A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase 1 , New Delhi – 110020

**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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Casting	243-Casting of metals	100%



b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL (A)</b>	<b>7513680</b>	-	<b>7513680</b>	<b>72.43%</b>	<b>7513680</b>	-	<b>7513680</b>	<b>72.43%</b>	-

B. Public Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2023]				No. of Shares held at the end of the year [As on 31-March-2024]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									



Custodian for GDRs & ADRs									
<b>Total (A+B+C)</b>	<b>7723800</b>	<b>2650200</b>	<b>10374000</b>	<b>100.00%</b>	<b>7816200</b>	<b>2557800</b>	<b>10374000</b>	<b>100.00%</b>	<b>-</b>

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Arun Kumar Sood	3525900	33.99%	0.00	3525900	33.99%	0.00	-
2	Ajay Kumar Sood	1352280	13.04%	0.00	1352280	13.04%	0.00	-
3	Ashish Kumar Sood	1640100	15.81%	0.00	1640100	15.81%	0.00	-
4	Shama Sood	569100	5.49%	0.00	569100	5.49%	0.00	-
5	Alka Sood	2100	0.02%	0.00	2100	0.02%	0.00	-
6	Seema Sood	424200	4.09%	0.00	424200	4.09%	0.00	-

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			7513680	72.43%	7513680	72.43%
	Changes during the year	-	-	-	-	-	-

At the end of the year

7513680

72.43%

7513680

72.43%

## (iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Raghubir Singh Panchal						
	At the beginning of the year			424200	4.09%	424200	4.09%
	Changes during the year			-	-	-	-
	At the end of the year			424200	4.09%	424200	4.09%
2	Sh. Paramjit Singh						
	At the beginning of the year			210000	2.03%	210000	2.02%
	Changes during the year			-	-	-	-
	At the end of the year			210000	2.03%	210000	2.02%
3	Smt. Rajinder Kaur						
	At the beginning of the year			172200	1.66%	172200	1.66%
	Changes during the year			-	-	-	-
	At the end of the year			172200	1.66%	172200	1.66%
4	Sh. Preet Mohinder Singh						

	At the beginning of the year			168000	1.62%	168000	1.62%
	Changes during the year			-	-	-	-
	At the end of the year			168000	1.62%	168000	1.62%
5	Sh. Vinod Sagar						
	At the beginning of the year			147000	1.42%	147000	1.42%
	Changes during the year			-	-	-	-
	At the end of the year			147000	1.42%	147000	1.42%
6	Smt. Renu Sharma						
	At the beginning of the year			147000	1.42%	147000	1.42%
	Changes during the year			-	-	-	-
	At the end of the year			147000	1.42%	147000	1.42%
7	Sh. Bikram Singh						
	At the beginning of the year			86100	0.83%	86100	0.83%
	Changes during the year			-	-	-	-
	At the end of the year			86100	0.83%	86100	0.83%
8	Sh. Surinder Abrol						
	At the beginning of the year			86100	0.83%	86100	0.83%
	Changes during the year			-	-	-	-

	At the end of the year			86100	0.83%	86100	0.83%
9	Sh. Ramesh Kumar Sharma						
	At the beginning of the year			84000	0.81%	84000	0.81%
	Changes during the year			-	-	-	-
	At the end of the year			84000	0.81%	84000	0.81%
10	Sh. Ashwani Khanna						
	At the beginning of the year			84000	0.81%	84000	0.81%
	Changes during the year			-	-	-	-
	At the end of the year			84000	0.81%	84000	0.81%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>Arun Kumar Sood</b>						
	At the beginning of the year			35,25,900	33.99%	35,25,900	33.99%
	Changes during the year			-	-	-	-
	At the end of the year			35,25,900	33.99%	35,25,900	33.99%
2	<b>Ajay Kumar Sood</b>						
	At the beginning of the year			13,52,280	13.04%	13,52,280	13.04%
	Changes during the year			-	-	-	-



	At the end of the year			13,52,280	13.04%	13,52,280	13.04%
3	<b>Ashish Kumar Sood</b>						
	At the beginning of the year			16,40,100	15.81%	16,40,100	15.81%
	Changes during the year			-	-	-	-
	At the end of the year			16,40,100	15.81%	16,40,100	15.81%
4	<b>Pranav Khanna</b>						
	At the beginning of the year			42,000	0.40%	42,000	0.40%
	Changes during the year			-	-	-	-
	At the end of the year			42,000	0.40%	42,000	0.40%
5	<b>Rakesh Dhanda</b>						
	At the beginning of the year			109200	1.05%	109200	1.05%
	Changes during the year			-	-	-	-
	At the end of the year			109200	1.05%	109200	1.05%

*\*Other directors and KMP's do not have any shareholding in the company as on 31.03.2024*

## V. INDEBTEDNESS

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

(Amt in Lakhs)

Particulars	Secured Loans excluding deposits (in Lacs)	Unsecured Loans	Deposits	Total Indebtedness (in Lacs)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	614.8	-	-	614.8
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	614.8	-	-	614.8
<b>Change in Indebtedness during the financial year</b>				

<b>Addition</b>				
Loan Taken	7.00	-	-	7.00
Interest On Loan	-	-	-	-
<b>Reduction</b>				
Loan Repaid	609.05	-	-	609.05
Net Change	(602.05)	-	-	(602.05)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	12.75	-	-	12.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>12.75</b>	<b>-</b>	<b>-</b>	<b>12.75</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager ) (in lacs)			Total Amount (in lacs)
1.	Gross salary  (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Arun Kumar  46.74  -  -	Ajay Kumar  46.74  -  -	Ashish Kumar  46.74  -  -	140.22  -  -
2.	Stock Option	-			-
3.	Sweat Equity	-			-
4.	Commission - as % of profit - Others, specify...	-			-
5.	Others, please specify (Medical	0.72	0.61	2.99	4.32

	Reimbursement)				
6.	Total (A)	47.46	47.35	49.73	144.54

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	N/A	N/A	N/A	N/A	-
	Total (1)					
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	N/A	N/A	N/A	N/A	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

(Amt. in INR Lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N/A	2.36	6.09	8.45
2.	Stock Option	N/A	N/A	N/A	-
3.	Sweat Equity	N/A	N/A	N/A	-

4.	Commission - as % of profit - others, specify...	N/A	N/A	N/A	-
5.	Others, please specify				
6.	Total	-	2.36	6.09	8.45

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

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. Directors</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. Other Officers In Default</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

By and on behalf of the Board  
**Kumar Autocast Limited**

Dated: 02.09.2024

Place: Ludhiana

Sd/-

**Ajay Kumar Sood**  
(Whole time Director)  
DIN: 00685585

House No 2086, Phase-1, Dugri Road,  
Urban Estate Ludhiana 141003 PB

Sd/-

**Arun Kumar Sood**  
(Managing Director)  
DIN: 00685937

House No 2087, Urban Estates Phase-1  
Dugri Model Town, Ludhiana 141002 PB

**ANNEXURE 'II'**

**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.

SL. No.	Particulars	Details
1.	Name (s) of the related party	1. NIL
	Nature of Relationship	None
2.	Nature of contracts/arrangements/transaction	None
3.	Duration of the contracts/ arrangements/ transaction	NIL
4.	Amount (In Lakhs)	N.A.
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
6.	Date of approval by the Board	

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

SL. No.	Particulars	Details	Details
1.	Name (s) of the related party	1. Kumar Exports Industries Private Limited	2. Kumar Exports (UNIT-1)
	Nature of Relationship	Enterprises in which directors are interested	Associate Firm
2.	Nature of contracts/arrangements/transaction	Sales	Purchases/Labour Job Sales Amount Receivable Advances Paid Amount Payable
3.	Duration of the contracts/ arrangements/ transaction	Ongoing	Ongoing
4.	Amount (In Rs.)	Rs. 5.13	Rs. 147.45 Lakhs Rs. 2945.07 Lakhs Rs. 477.51 Lakhs Rs. 398.50 Lakhs Rs. 0.12 Lakhs
5.	Salient terms of the contracts or arrangements or transaction including the value, if any		ii) Purchase of Casting and Forging Materials iii) Labour Job of metal

		iv) forging parts. Sales of Casting and Forging Materials
6.	Date of approval by the Board	30.05.2023

	<b>Nature of Transactions during the year</b>	<b>Details</b>	
		Amount in Lakh (Rs.)	
<b>Key Managerial Personnel</b>	<b><u>REMUNERATION</u></b>		
	Ashish Kumar Sood	46.74	
	Ajay Kumar Sood	46.74	
	Arun Kumar Sood	46.74	
	Pranav Khanna	2.36	
	Usha Jayaprakash	6.09	
	<b><u>MEDICAL REIMBURSEMENT</u></b>		
	Ashish Kumar Sood	2.99	
	Ajay Kumar Sood	0.61	
	Arun Kumar Sood	0.72	
	<b><u>AMOUNT PAYABLE</u></b>		
	Ashish Kumar Sood	8.45	
	Ajay Kumar Sood	8.45	
	Arun Kumar Sood	8.45	
	Pranav Khanna	0.38	
	Usha Jayaprakash	0.77	
		Date of approval by the Board	30.05.2023

By and on behalf of the Board  
**Kumar Autocast Limited**

Dated: 02.09.2024

Place: Ludhiana

Sd/-  
**Ajay Kumar Sood**  
(Wholetime Director)  
DIN: 00685585  
House No 2086, Phase-1, Dugri Road,  
Urban Estate Ludhiana 141003 PB

Sd/-  
**Arun Kumar Sood**  
(Managing Director)  
DIN: 00685937  
House No 2087, Urban Estates Phase-1  
Dugri Model Town, Ludhiana 141002 PB

## ANNEXURE 'III'

### DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

#### **A. CONSERVATION OF ENERGY**

##### **1. The steps taken or impact on conservation of energy;**

Kumar Autocast Limited continued to emphasize on the conservation and optimal utilization of energy in manufacturing unit of the Company. The energy conservation measures Implemented during FY 2023-24 are listed below:

- Maintenance of the machines as per schedule.
- Lights in the Factory area are switched off whenever not required.
- Energy audit is conducted and recommendations are implemented.

##### **2. Additional Investments & Proposals, if any, being implemented for Reduction of Consumption of Energy:**

The company continued its efforts towards effective utilization of energy for reduction in power consumption. The Company is constantly exploring the use of alternate sources of energy that are commensurate with the scale of present operations and the type of products being manufactured.

##### **3. The capital investment on energy conservation equipments;**

During the year under review, there was no capital investment on Energy Conservation Equipments.

##### **Disclosure of particulars with respect to conservation of energy:**

<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
<b>POWER CONSUMPTION</b>		
Units Purchased (KWH)	83,13,937	80,50,575
Amount (Rs.)	5,78,65,000	5,60,32,000
Average Rate Per Unit (Rs.)	6.96	6.96

#### **B. TECHNOLOGY ABSORPTION**

##### **(1) Efforts, in brief, made towards technology absorption, adaptation and innovation:**

- Imparting training to personnel in various manufacturing techniques by experts.

##### **(2) Benefits derived like Product Improvement, Cost Reduction, Product Development or**

**Import Substitution as a result of above efforts:**

- Increase productivity.
- Power saving.
- Manpower cost reduced.
- Raw materials cost reduction.
- Production wastage reduced.

**(3) Information regarding technology imported during the last 3 years**

- The Details of Technology Imported - NIL
- The Year of Import - Not Applicable
- Whether Technology Has been Fully Absorbed - Not Applicable
- If Not Fully Absorbed, Areas Where Absorption has not taken place and the reasons thereof - Not Applicable

**(4) Expenditure on Research and Development**

During the year under review the company did not incur any expenses on Research and Development.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review the company has Import of USD 102375/- (INR.8573537.50) in FY 2023-24.

By and on behalf of the Board  
**Kumar Autocast Limited**

Dated: 02.09.2024  
Place: Ludhiana

Sd/-  
**Ajay Kumar Sood**  
(Wholetime Director)  
DIN: 00685585  
House No 2086, Phase-1, Dugri Road,  
Urban Estate Ludhiana 141003 PB

Sd/-  
**Arun Kumar Sood**  
(Managing Director)  
DIN: 00685937  
House No 2087, Urban Estates Phase-1  
Dugri Model Town, Ludhiana 141002 PB



**ANNEXURE 'IV'**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2024**

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

To,

**The Members,**  
**Kumar Autocast Limited**  
**C-179, Focal Point**  
**Phase VI, Ludhiana,**  
**Punjab (India).**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices made by **Kumar Autocast Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our virtual verification of the books, papers, minutes 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31.03.2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute book, forms and returns filed and other records maintained by the company for the financial year ended on **31.03.2024** according to the provisions of:

- i) the **Companies Act, 2013** (the Act) and the rules made thereunder;
- ii) The **Securities Contracts (Regulation Act, 1956** ('**SCRA**') and the rules made thereunder:
- iii) The **Depositories Act, 1996** and the Regulations and Bye-laws framed thereunder
- iv) **Foreign Exchange Management Act, 1999** and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – Not applicable during the 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 (**Substantial Acquisition of Shares and Takeovers**) Regulations, 2011; Not Applicable during the Audit Period
- b) The Securities and Exchange Board of India (**Prohibition of Insider Trading**) Regulations, 2015; Not Applicable during the audit period
- c) The Securities and Exchange Board of India (**Issue of Capital and Disclosure Requirements**) Regulations, 2018; Not applicable to the company during period of audit
- d) The Securities and Exchange Board of India SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021; Not applicable to the company during period of audit.
- e) The Securities and Exchange Board of India (**Delisting of Equity Shares**) Regulations, 2021; Not applicable to the company during period of audit.
- f) Securities and Exchange Board of India (**Issue and Listing of Non-Convertible Securities**) Regulations, 2021; Not Applicable during the audit period
- g) The Securities and Exchange Board of India (**Issue and Listing of Debt Securities and Security Receipts**) Regulations, 2008; Not Applicable during the audit period
- h) The Securities and Exchange Board of India (**Registrar to an Issue and Share Transfer Agents**) Regulations, 1993 regarding the Companies Act and dealing with client; To the extent of its applicability on Listed company.
- i) The Securities and Exchange Board of India (**Delisting of Equity Shares**) Regulations, 2009; Not applicable to the company during period of audit.
- j) The Securities and Exchange Board of India (**Buyback of Securities**) Regulations, 1998; Not applicable to the company during period of audit
- k) Listing Agreement and SEBI (**Listing Obligations and Disclosure Requirements**) Regulations 2015; to the extent applicable on Listed Company.

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

We 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, except with regard to

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary

1.	Regulation 23 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Non-compliance with Regulation 23 (9) of SEBI (LODR) Regulations.	<b>The Company has taken adequate steps and actions to comply with the required Regulations, provisions and guidelines.</b>
2.	Regulation 46 of SEBI LODR, 2015	Company's web site is not updated and hence you are not complying with the provision of regulation 46 of LODR.	<b>The Company has updated the same and informed the Exchange about the up-dation of Website</b>

- 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:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any.
1.	Securities and Exchange Board of India	Non-compliance with Regulation 23 (9) of SEBI (LODR) Regulations, 2015	With reference to letter issued by SEBI with respect to penal actions prescribed for non-compliance of Non-compliance with disclosure of related party transactions on consolidated. As a result, fine charges of Rs. 11,800/- (Including GST @ 18 %) were imposed by the Exchange on the Listed entity.	<b>The fine charges as imposed by the Exchange were paid off by the company.</b>
2.	Metropolitan Stock Exchange of India (MSEI)	Regulation 46 of SEBI LODR, 2015	Company's web site is not updated and hence you are not complying with the provision of regulation 46 of LODR.	The Company has updated the same and informed the Exchange about the up-dation of Website

**We 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 Companies Act, 2013.

**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.

**Adequate notice** is given to all directors/members/shareholders to schedule the **General Meetings, Agenda** and detailed **notes** on agenda were sent at least Twenty One 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**Place:** Ludhiana

**Date:** 30.08.2024

Sd/-

**Harshit Arora**

**Harshit Arora & Associates**

**ACS No. F12307**

**CP No. 14807**

**UDIN: F012307F001082431**

❖ **Note:** 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.

❖ **LIST OF LABOUR LAWS AND ENVIRONMENTAL LAWS WHICH HAVE BEEN VERIFIED DURING AUDIT PERIOD**

❖ **List of Labour Laws**

- Factories Act, 1948
- Industrial Disputes Act, 1947
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employee's State Insurance Act, 1948
- The Payment of Bonus Act, 1972
- The Apprentices Act, 1961
- Employee's Provident Fund and Miscellaneous Provisions Act, 1952

❖ **List of Environmental Laws**

- Environment (Protection) Act, 1986
- Water (Prevention and Control of Pollution) Act, 1974
- Air (Prevention and Control of Pollution) Act, 1981

**Annexure:- A**

The Members,  
**Kumar Autocast Limited**  
**C-179, Phase VI, Focal Point**  
**Ludhiana**  
**Punjab (India).**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc and we have relied on such representation for giving our report.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random 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 the management has conducted the affairs of the Company.

**Place:** Ludhiana  
**Date:** 30.08.2024

Sd/-

**Harshit Arora**  
**Harshit Arora & Associates**  
**ACS No. F12307**  
**CP No. 14807**  
**UDIN: F012307F001082431**

## ANNEXURE 'V'

### NOMINATION & REMUNERATION POLICY OF THE COMPANY:

#### **1. PREFACE:**

Pursuant to the **Section 178** of the Companies Act, 2013 read with the **Rule 6** of the Companies (Meeting of the Board and its powers) Rules, 2014, the Nomination and Remuneration committee of the Board of the Company has formulated a policy to decide the criteria for the appointment and for the remuneration to the Directors, key managerial personnel and other employees. The Policy also aims to attract, motivate and retain manpower in a competitive and global markets scenario which is formulated by the Committee and approved by the Board of Directors in their meeting held on **24.12.2014**.

Produced here below is the “**Nomination & Remuneration Policy**” of the Company in compliance with **Section 178** of the Companies Act, 2013 for the object as mentioned herein.

#### **2. ROLE OF THE COMMITTEE:**

- a) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to Board their appointment and removal.
- b) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- c) To recommend to the Board remuneration policy related to remuneration of Directors (Whole Time Directors, Executive Directors etc), Key Managerial Personnel and other employees while ensuring the following:-
  - That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.
  - That relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - That remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate of the working of the company and its goals.
    - To formulate criteria for evaluation of Directors and the Board.
    - To devise a policy on Board diversity.

**3. MEMBERSHIP:**

- a). The Committee shall consist of a minimum 3 non-executive directors, majority of them being Independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

**4. CHAIRMAN:**

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**5. FREQUENCY OF MEETINGS:**

The meeting of the Committee shall be held at such regular intervals as may be required.

**6. COMMITTEE MEMBERS' INTERESTS:**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**7. SECRETARY:**

The Company Secretary of the Company shall act as Secretary of the Committee.

**8. VOTING:**

- a) Decisions of the Committee shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.



**9. MINUTES OF COMMITTEE MEETING:**

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

**10. EFFECTIVE DATE & AMENDMENTS:**

This policy will be effective from **24.12.2014** and may be amended subject to the approval of Board of Directors.

**Place:** Ludhiana  
**Date:** 02.09.2024

By and on behalf of the Board  
**Kumar Autocast Limited**

Sd/-  
**Ajay Kumar Sood**  
(Wholetime Director)  
DIN: 00685585  
2086, Phase-1, Urban Estate,  
Ludhiana, 141003

Sd/-  
**Arun Kumar Sood**  
(Managing Director)  
DIN: 00685937  
2087, Phase-1, Urban Estate,  
Dugri, Ludhiana, 141003

**ANNEXURE 'VI'**

**Particulars of Employees and Related Disclosures**

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

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director / KMP for the Financial Year 2023-24 (Rs. In Lacs)	% Increase in Remuneration in the Financial Year 2023-24	Ratio of Remuneration of each Director / to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Arun Kumar Sood, Executive Director	46.74	(3.48%)	50.96:1	During 2023-24, the Company incurred profit before depreciation, interest and tax of <b>Rs. 162.59 Lacs</b> as against PBDIT of <b>Rs. 235.02 Lacs</b> in the previous year. During 2023-24 the profit after tax was <b>Rs. 48.84 Lacs</b> as against loss of <b>Rs. 125.92 Lacs</b> last year.
2.	Ashish Sood, Executive Director	46.74	(3.48%)	50.96:1	
3.	Ajay Kumar Sood, Executive Director	46.74	(3.48%)	50.96:1	
4.	Shrey Bhutani, Non-Executive Independent Director	-	-	-	-
5.	Rakesh Dhanda, Non-Executive Independent	-	-	-	-

	Director				
6.	Ritu Mehra Non-Executive Independent Woman Director	-	-	-	-
7.	Usha Jayaprakash (CFO)	6.09	(10.73%)	1.88:1	-
8.	Pranav Khanna Company Secretary	2.36	(0.42%)	1.41:1	During 2023-24, the Company incurred profit before depreciation, interest and tax of <b>Rs. 162.59 Lacs</b> as against PBDIT of <b>Rs. 235.02 Lacs</b> in the previous year. During 2023-24 the profit after tax was <b>Rs. 48.84 Lacs</b> as against loss of <b>Rs. 125.92 Lacs</b> last year.

\* Details not given as **Mr. Rakesh Dhanda, Mr. Shrey Bhutani & Ms. Ritu Mehra** were appointed as Independent Directors and no such sitting fee is paid to attend the meetings.

## **Annexure VIII Policies**

### **Annexure VIII (i)**

#### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

##### **Preamble**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) stipulates that the Company shall familiarize the Independent Directors through various programmes about the Company, nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities as Independent Directors of the Company, etc., through various programmes. As per Listing Regulation the details of the Familiarization programme for Independent Directors shall be disseminated on the website of the Company.

##### **1. Initial Familiarization Module**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Company conducts an introductory familiarization program / presentation, when a new Independent Director comes on the Board of the Company. At the outset, all the independent directors are provided an overview of;

- a) Criteria of independence applicable to Independent Directors as per Listing Regulations and the Companies Act, 2013;
- b) Time allocation by the Independent Directors on financial controls, overseeing systems of risk management, financial management compliance, Corporate Social Responsibility, Stakeholders conflicts, Board effectiveness, strategic direction, Meetings and performance assessment;
- c) Roles, functions, Duties, Responsibilities and liabilities of Independent Directors;
- d) Directors Responsibility Statement forming part of Boards' Report;
- e) Vigil Mechanism including policy formulation, disclosures, code for Independent Directors;
- f) Risk Management Systems & framework;
- g) Board Evaluation Process and Procedures;

The Director is also explained in detail the compliances required from him under the Companies Act, Listing Regulations and other relevant regulations and his affirmation taken with respect to the same. With a view to familiarize him with the Company's operations, the Chairman/Managing Director provides a one-to-one interaction on the organisational set up, the functioning of various divisions / departments,

the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company.

## **2. Continual Familiarization Modules**

The Company follows a structured orientation programme for the Independent Directors to understand and get updated on the business and operations of the Company on a continuous basis. The familiarization module inter-alia, includes regular inputs on strategy and business model of the Company, budgeting and planning, performance of various business verticals, statutory reporting including Internal Audit Reports, SEBI Audit Reports and compliance related certifications and overview of business of subsidiaries on an on-going basis through the Chairman/ Managing Director/Chief Financial Officer and the Senior Managerial Personnel. The Company also provides an opportunity to the Independent Directors to interact with the senior team leader of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, facilities and risk management and such other areas. Presentations are made to the Board of Directors / Audit Committee (AC) (minutes of AC and other Board Committees are circulated to the Board), where Directors get an opportunity to interact with Executive Committee members and Business Heads. The Board of Directors has complete access to the information within the Company. Independent Directors have the freedom to interact with the Company's management.

Apart from this, they also have independent interactions with the Statutory Auditors, the Internal Auditors and external advisors appointed from time to time. Further, they meet regularly without the presence of any management personnel and their meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

## **3. REVIEW**

This Familiarization Process shall be reviewed and revised by the Board as and when required.

### **Disclosure of the Policy:**

Pursuant to Regulation 46(2) of Listing Regulations, the Familiarization Programme shall be disclosed on the Company's website and a web link thereto shall be provided in the Annual Report.

## **Annexure VIII(ii)**

### **VIGIL MECHANISM POLICY**

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#### **Preamble**

The Companies Act 2013 under the provisions of Section 177 has mandated that *“every listed Company or such class or classes of companies, as may be prescribed, shall establish a vigil*

*mechanism for directors and employees to report genuine concerns in such manner as may be prescribed". Further such vigil mechanism under "shall provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases".*

Pursuant to the provisions of Section 177 (9) & (10) read with rule 7 of Chapter XII of the Companies Act, 2013, the Company has set up and adopted the following Vigil Mechanism which lays down the principles and standards governing the management of grievances and concerns of employees and directors of the Company and shall be overseen by the Audit Committee (hereinafter referred to as 'Committee') of the Company. The Mechanism as set up herein-below shall enable the employees and the directors of the Company to report their genuine concerns or grievances about the actual and potential violation of the principles and standards laid down herein.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards the Company encourages the employees to voice their genuine concerns without fear of censure.

## **Mechanism**

### **1. Objectives:-**

To encourage employees to bring genuine ethical and legal concerns, violations and suspected fraudulent behaviour of which they are or become aware of, to an internal authority so that action can be taken immediately to resolve the problem.

To minimize the Company's exposure to the damage that can occur when the employees actually or potentially try to circumvent internal mechanisms in furthering the aforementioned concerns, violation and frauds.

To let employees know that the Organization is serious about adherence to Code of conduct or policy.

### **2. Scope**

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company's rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activities on account of which the interest of the Company is affected.

However the mechanism does not release the employees from their duty of confidentiality in the course of their work and nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

### **3. Eligibility**

All Employees and Directors of the Company are eligible to make disclosures under the mechanism in relation to matters concerning the Company.

### **4. Procedure:-**

1. Where any director or employee finds or observes any of following activities (but not limited to) then he must within a period of 30days of occurrence of event or on the date on which he comes to know, report in writing their complaint / grievance in the format as provided in **Annexure 1** to this

mechanism:

Embezzlement of funds.

Any prejudicial act in which stakeholders interest or public interest is involved. Serious frauds which are affecting or may affect the financial position of the Company.

Internal theft.

Payoff & Kickbacks etc.

2. The Complainant shall address the Complaints / Grievances to the Vigilance Officer (as may be designated by the Audit Committee) of the Company or the Chairman of the Audit Committee (in exceptional cases). The duly filled complaint form provided herein shall be submitted to *any* of the above mentioned person(s):
3. In order to protect the identity of the complainant, the Vigilance Officer or the Committee will maintain confidentiality of the complainants.
4. The Committee on the receipt of disclosure of any of above frauds or events shall make a record of the disclosure and also ascertain from the complainant whether he was the person who made the disclosure or not. The Committee shall also carry out initial investigation either itself or at its discretion by involving any other official of the Company or an outside agency as it may deem fit.
5. The decision to undertake the investigation by the Committee shall not by itself be regarded as the acceptance of the accusation by the Committee. It is a neutral fact finding process to ascertain the truth of the accusation.
6. Any member of the Audit Committee or such other officer involved in the investigation, having any conflict of interest with the matter shall disclose his/her concern/interest forthwith and shall not deal with the matter.
7. The Committee as it deems fit, may call for further information from the complainant.
8. The Committee shall carry out detailed investigation if the reported disclosure is found to be correct.
9. The Employee/Director against whom disclosure has been reported shall:- Co-operate with Committee or any person appointed in this regard.  
Have a right to consult any person of his choice other than members of Committee and / or Complainant.  
Not interfere in investigations conducted by Committee.
- Not withhold, tamper or destroy any of evidences.  
Unless otherwise restricted, be given an opportunity to respond to material findings.  
Not threaten, influence or intimidate complainant or any of witnesses. Have a right to know the outcomes of investigation.
10. The Investigations shall be completed within a period of 60days.

## 5. **Decisions and Reporting**

If the outcome of the investigation leads to a conclusion that, any improper or unethical act has been committed, then the Committee must record the same and recommend the Complaint along with the findings of the Committee upon investigation to the management for the disciplinary or corrective action to be taken against the concerned employee/director. The

decision of the Committee shall be recorded with reasons and a copy of the same shall be forwarded to the complainant and the subject.

If the decision is not to the satisfaction of the complainant then the complainant has the right to report the event to the appropriate legal or investigating authority. However, if the complainant makes false or wrong allegations then disciplinary actions in accordance with the rules, procedures and policies of the Company shall be taken against the complainant as the Committee may decide.

## **6. Penalties**

If the alleged fraud or misconduct is proven after investigation, the Committee may impose such penalty / fine as it may deem fit depending upon nature of fraud or unethical act done by the person.

## **7. Secrecy and Confidentiality**

The Committee as well as complainant shall:-

Maintain confidentiality of all matters under this policy.

Discuss only to the extent or with those persons as required under this policy for completing the process of investigation.

Not keep the papers unattended anywhere at any time.

Keep the electronic mails / files under password and under safe custody.

## **8. Protection**

No unfair treatment will be meted out to a complainant by virtue of his/ her having reported a Protected Disclosure under this policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against complainants. Complete protection will therefore be given to complainant against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the complainant's right to continue to perform his duties/functions including making further disclosure.

The Company will take steps to minimize difficulties which the complainant may experience as a result of making the disclosure. Thus, if the complainant is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the complainant to receive advice about the procedure, etc.

A complainant may report any violation of the above clause to the Chairman of the Committee, who shall investigate into the same and recommend suitable action to the management. The identity of the complainant shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority.

In the event of the identity of the complainant being disclosed, the Committee is authorized to initiate appropriate action as per extent regulations against the person or agency making such disclosure. The identity of the complainant, if known, shall remain confidential to those



persons directly involved in applying this mechanism, unless the issue requires investigation by law enforcement agencies.

Any other employee assisting in the said investigation shall also be protected to the same extent as the Complainant. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and that he has acted in good faith. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

**9. Direct Access to Chairman**

The complainant shall have direct access to Chairman of Committee in exceptional cases. The Chairman shall prescribe suitable direction in this regard.

**10. Display of Mechanism on Website**

The Mechanism herein set up cannot be effective unless it has been communicated to eligible person described herein above. For this purpose Company shall display it on its website and shall also disclose it in Board's Report.

**11. Retention of Documents**

The evidences, documents received by the committee in due course of time during investigation shall be preserved for three (3) years or for such period as may be specified by law in force in this regard from time to time.

**12. Amendments**

The Company reserves right to amend, modify, and cancel any of the provisions of the mechanism in whole or in part set up herein above or may restrict subject to such conditions as it may deem fit.

**Date of Approval by Board of Director's: 18.06.2014**

**Annexure 1**

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

**Name of Complainant (Employee/Director)** \_\_\_\_\_

**Email-id** \_\_\_\_\_

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

**Contact No.** \_\_\_\_\_

**Subject matter which is being reported**

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**Name of Person/Event focused at:**

---

**Brief about concern**\_\_\_\_\_

**Evidence (if Any)**\_\_\_\_\_

---

**Signature**

## **Annexure VIII (iii)**

### ***1. Criteria of making payments to Non-Executive Directors***

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With changes in the corporate governance norms brought by the Companies Act, 2013 as well as the SEBI (Listing Obligation Disclosure Requirement) Regulation 2015, the role of Non-Executive Directors (NED) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time. The Company is being hugely benefited from the expertise, advice and inputs provided by the NEDs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time. Levels of remuneration to the NEDs are determined such that they attract, retain and motivate directors of the quality and ability required to run the Company successfully.

Under the SEBI (Listing Obligation Disclosure Requirement) Regulation 2015, requires every company to publish its criteria of making payments to NEDs in its annual report. Alternatively, this may be put up on the company's website and reference may be drawn thereto in its annual report. Section 197 of the Companies Act, 2013 and Regulation 17(6)(a) of SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 require the prior approval of the shareholders of a company for making payment to its NEDs.

In keeping with the above, any fee/remuneration payable to the NEDs of the Company shall abide by the following:

#### **Sitting Fee:**

Such director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 or other applicable law or for any other purpose whatsoever as may be decided by the Board;

#### **Commission:**

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other. Further, the section also states that where the company has managing director or whole-time director or manager, then a maximum of 1% of its net profits can be paid as remuneration to its NEDs. In case there is no managing director or whole-time director or manager, then a maximum of 3% of net profit can be paid. Thus, the basis of payment to the NEDs is the net profit of the Company.

Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board. However the Company is however not obligated to remunerate its NEDs.

#### **Refund of excess remuneration paid:**

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it.

#### **Reimbursement of actual expenses incurred:**

NEDs may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings.

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of NEDs.

#### **Payment to independent directors:**

An independent director shall not be entitled to any stock option and shall receive Sitting fees for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 or other applicable law as amended from time to time. Further they may also be paid / reimbursed such sums incurred as actuals for travel, incidental and / or actual

out of pocket expenses incurred by such Director / Member for attending Board / Committee Meetings.

The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.

### **Amendments**

The Company reserves the right to modify and/or amend this document at any time subject to the applicable provisions the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **Annexure VIII (iv)**

### **2. RISK MANAGEMENT POLICY**

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#### **BACKGROUND**

KUMAR AUTOCAST LIMITED is engaged in the manufacture and marketing of agricultural implements, automotive components, tool makers, brass founders, metal workers, boiler makers, millwrights, iron and steel converters, smiths, coke manufacturers, electrical engineers, water supply engineers, smelters, iron plates makers and framers and manufacturing of heavy and light forgings, casting of ferrous and non ferrous metals. The business activities of the Company carry various internal and external risks.

‘Risk’ in literal terms can be defined as the effect of uncertainty on the objectives. Risk is measured in terms of consequences and likelihood. Risks can be internal and external and are inherent in all administrative and business activities. Every member of any organisation continuously manages various types of risks. Formal and systematic approaches to managing risks have evolved and they are now regarded as good management practice also called as Risk Management.

‘Risk Management’ is the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of uncertain events or to maximize the realisation of opportunities. Risk management also provides a system for the setting of priorities when there are competing demands on limited resources.

Effective risk management requires:

- A strategic focus,
- Forward thinking and active approaches to management
- Balance between the cost of managing risk and the anticipated benefits, and
- Contingency planning in the event that critical threats are realised.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, return on investments, business cycle, increase in price and costs, limited resources, retention of talent, etc.

1. LEGAL FRAMEWORK

Risk Management is a key aspect of Corporate Governance Principles and Code of Conduct which aims to improvise the governance practices across the business activities of any organization. The new Companies Act, 2013 and the Equity Listing Agreement have also incorporated various provisions in relation to Risk Management policy, procedure and practices.

The provisions of Section 134(3)(n) of the Companies Act, 2013 necessitate that the Board's Report should contain a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

Further, the provisions of Section 177(4)(vii) of the Companies Act, 2013 require that every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall *inter alia* include evaluation of risk management systems.

In line with the above requirements, it is therefore, required for the Company to frame and adopt a "Risk Management Policy" (this Policy) of the Company

## 2. PURPOSE AND SCOPE OF THE POLICY

The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The specific objectives of this Policy are:

- To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management.
- To establish a framework for the company's risk management process and to ensure its implementation.
- To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
- To assure business growth with financial stability.

## 3. APPLICABILITY

This Policy applies to all areas of the Company's operations.

## 4. KEY DEFINITIONS

- Risk Assessment –  
The systematic process of identifying and analyzing risks. Risk Assessment consists of a detailed study of threats and vulnerability and resultant exposure to various risks
- Risk Management –

The systematic way of protecting business resources and income against losses so that the objectives of the Company can be achieved without unnecessary interruption.

□ Risk Management Process -

The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analyzing, evaluating, treating, monitoring and communicating risk.

## 5. RISK FACTORS

The objectives of the Company are subject to both external and internal risks that are enumerated below:-

### □ External Risk Factors

Economic Environment and Market conditions  
Competition

#### *Revenue Concentration and liquidity aspects-*

Each business area of products such as pumps, turbines, motors, generators, switchgears and turnkey projects has specific aspects on profitability and liquidity. The risks are therefore associated on each business segment contributing to total revenue, profitability and liquidity. Since the projects have inherent longer time-frame and milestone payment requirements, they carry higher risks for profitability and liquidity.

#### *Inflation and Cost structure-*

Inflation is inherent in any business and thereby there is a tendency of costs going higher. Further, the project business, due to its inherent longer time-frame, as much higher risks for inflation and resultant increase in costs.

#### *Technology Obsolescence –*

The Company strongly believes that technological obsolescence is a practical reality. Technological obsolescence is evaluated on a continual basis and the necessary investments are made to bring in the best of the prevailing technology.

#### *Legal –*

Legal risk is the risk in which the Company is exposed to legal action. As the Company is governed by various laws and the Company has to do its business within four walls of law, the Company is exposed to legal risk.

#### *Fluctuations in Foreign Exchange-*

The Company has limited currency exposure in case of sales, purchases and other expenses. It has natural hedge to some extent. However, beyond the natural hedge, the risk can be measured through the net open position i.e. the difference between un- hedged outstanding receipt and payments. The risk can be controlled by a mechanism of “Stop Loss” which means the Company goes for hedging (forward booking) on open position when actual exchange rate reaches a particular level as compared to transacted rate.

### □ Internal Risk Factors

Project Execution  
Contractual  
Compliance  
Operational  
Efficiency



Hurdles in optimum use of resources Quality Assurance

Environmental Management Human Resource Management Culture and values

6. RESPONSIBILITY FOR RISK MANAGEMENT

Generally every staff member of the Organization is responsible for the effective management of risk including the identification of potential risks. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. Risk management processes should be integrated with other planning processes and management activities.

7. COMPLIANCE AND CONTROL

All the Senior Executives under the guidance of the Chairman and Board of Directors has the responsibility for over viewing management’s processes and results in identifying, assessing and monitoring risk associated with Organization’s business operations and the implementation and maintenance of policies and control procedures to give adequate protection against key risk. In doing so, the Senior Executive considers and assesses the appropriateness and effectiveness of management information and other systems of internal control, encompassing review of any external agency in this regards and action taken or proposed resulting from those reports.

8. REVIEW

This Policy shall be reviewed at least every year to ensure it meets the requirements of legislation and the needs of organization.

9. AMENDMENT

This Policy can be modified at any time by the Board of Directors of the Company.

Approved by Board As on: 02.09.2014

## **Annexure VIII (v)**

### ***Code of Conduct***

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#### ***INTRODUCTION***

***Applicable to all Directors and Officers in Management Cadre – (hereinafter referred to as ‘Employees’)***

The Company is committed to integrity in every facet of its business. For each of us this means conducting ourselves according to high ethical and legal standards. The Code of Conduct sets forth the Company’s policy to comply with the local laws and regulations. Each Designated Person is expected to comply with the code in letter and spirit.

The code also sets forth the Company's business ethics policy relating to business and commercial activities and conduct by Employees. Business decisions always must reflect high ethical standards and not be influenced by business or personal interests that Employees may have with third parties or by unauthorized concessions or payments to or from third parties.

### **3. Code of Conduct**

#### **A. Discrimination in Employment and Unlawful Harassment-**

In the conduct of business, each employee is required to respect the rights and cultural differences of individuals. The Company is also committed to following the applicable labour and employment laws.

The Company prohibits all forms of unlawful discrimination, retaliation and harassment in the workplace, including, but not limited to, unlawful discrimination on the basis of race, color, religion, sex, national origin, citizenship, sexual orientation, age, physical or mental disability or any other legally protected status. The Company also strives to achieve a work environment that is free from unlawful discrimination, retaliation and harassment, including sexual harassment. This obligation extends to supervisory and non-supervisory personnel, as well as contractors, vendors, clients or visitors to the extent that their conduct affects the work environment or interferes with performance of work.

Employees who feel that they have been subjected to unlawful discrimination, retaliation or harassment should notify their supervisor and/or a Human Resource manager who promptly will investigate the matter. Employees need not make the complaint to their supervisor or the local Human Resource manager if they are uncomfortable in doing so, or if these individuals are involved in the subject activity. In such circumstances, Employees may contact the top Human Resource professional at the Corporate Office at Ludhiana. Prompt investigative action will be taken and where appropriate, remedial or corrective action will be taken with respect to unlawful harassment or discrimination. Employees will not be subject to retaliation for reporting incidents that they, in good faith, believe are violation of this policy.

#### **B. Privacy-**

The Company expects all Employees to protect individually identifiable customer information and sensitive personal information about employees, applicants and research study subjects from inappropriate or unauthorized use or disclosure, and to comply with privacy and data protection policies established by the Company as well as all privacy-related laws, regulations and treaties. The Company maintains the right to inspect and monitor employee use of Company property such as computers, e-mail and phone systems.

#### **C. Dealing in Securities-**

From time to time, Employees may become aware of significant information about the Company that generally is not known outside the Company. Buying or selling the Company's shares with awareness of such information may violate the law and expose the Designated

Person and the Company to substantial civil and criminal penalties. To prevent the misuse of such information and to avoid even the appearance of improper conduct, all Employees, in addition to complying with all applicable laws, must comply with the Company's Insider Trading Code.

Among other things, the Company's Insider Trading Code prohibits Employees from buying or selling the Company's securities while aware of "material information" about the Company that is not known publicly. The Code broadly defines "material information" to include any information that a reasonable investor likely would consider important in making a decision to buy or sell the Company's securities. In particular, there can be no trading in the Company's shares when the trading window is closed.

#### ***D. Intellectual Property-***

Among the Company's most valuable assets is its intellectual property. Intellectual property takes different forms, including patents, trade secrets, trademarks, copyrights, scientific, technical and business knowledge, know-how and experience. Examples of intellectual property include applications to regulatory agencies, formulae, data, processes, devices, patterns and drawings, research records, customer and supplier lists and information, legal, marketing, sales and financial analyses and compilations of information, maintained in confidence and used in the Company's operations.

It is the Company's policy to enforce its intellectual property rights in an appropriate manner consistent with the law. It is the duty of all Employees to establish, protect, maintain and defend the Company's rights in its intellectual property and confidential information. This duty extends to protecting such information after Employees leave the Company.

It is also important to the Company that all Employees discuss their ideas, inventions or developments with the Legal Department to determine whether these are patentable or otherwise legally protectable. Employees are required to submit for appropriate legal review Records of Invention concerning new ideas, inventions or developments. Legal review also must be sought when using the Company trademarks, trade names and trade dress, when releasing Company confidential information to persons outside the Company and when transacting business in any way concerning the intellectual property rights of the Company.

In addition, it is the Company's policy to respect the intellectual property rights of others. Unauthorized use of the intellectual property rights of others may expose you and the Company to civil litigation and damages and possible significant fines and criminal penalties. Appropriate legal review must occur prior to any activities that may infringe on another's intellectual property; before soliciting, accepting or using potentially proprietary information of others, including the unsolicited offer of ideas by non-Company personnel; and before selling, buying, licensing or otherwise transacting business concerning intellectual property rights of others.

#### ***E. Environmental and Safety Laws-***

The Company is committed to a safe environment and sound environmental actions. The Company strives to comply fully with all environmental and safety laws and regulations. All waste products and hazardous materials should be treated, stored, handled and disposed of in full compliance with all laws, regulations and Company practices. The unsafe storage of a potentially toxic or hazardous material or the improper release of any such materials into the environment must be reported promptly to your supervisor. To identify, control and minimize waste and the use of hazardous materials. To design products that are environmentally sound, conserve natural resources and minimize use of hazardous materials.

#### ***F. Food, Drug and Medical Device Laws***

Various laws regulate the manufacture, labeling, sale and, in some cases, the promotion of many of the Company's products to assure their safety, efficacy and quality. Violations of these laws can result in severe penalties to the Company and individual employees. The Company expects its Employees to comply fully with such laws. In the event of a question concerning these laws, you should consult with the Medical Department and/or the Law Department.

#### ***G. False Reporting to Government Agencies-***

It is a crime, subject to fine or imprisonment, to make a false statement to any government agency. The Company's policy is to provide all required disclosure to government agencies and to assure that such information is truthful and accurate. The Company and its Employees must adhere to this policy.

#### ***H. Political Contributions-***

A Designated Person/employee may contribute directly or indirectly to any political party, candidate or, political action committee, but any such contribution must be made on a personal basis, not on behalf of the Company, and reimbursement must not be sought from the Company, directly or indirectly.

#### ***I. Improper Payments in the Public and Private Sectors-***

Our laws prohibit bribery of public officials. The Company's policy extends beyond these laws and prohibits making unauthorized concessions or paying confidential commissions and bonuses, bribes or other type of unofficial payment to employees or officials of any government or to any third party in a commercial transaction.

The Company and its Employees also must comply with applicable laws and regulations that prohibit providing remuneration to induce the prescription, purchase or order of Company products that may be subject to reimbursement or payment by a government agency or other third party. It is the Company's policy to market and sell its medical products in compliance with all applicable laws and regulations.

Any person or company that represents the Company (such as a consultant, agent, sales representative, distributor or contractor) must comply with the Company policies prohibiting improper payments in the public and private sectors. Payments made indirectly through an

intermediary, under circumstances indicating that such payments would be passed along for inappropriate purposes, are prohibited.

### ***J. Money Laundering Prevention-***

Money laundering is a criminal activity in which the proceeds of a crime are hidden or converted in some way to make them appear legitimate. The Company is committed to complying fully with all applicable anti-money laundering laws. The Company will conduct business only with reputable customers who are involved in legitimate business activities and whose funds are derived from legitimate sources. Reasonable steps must be taken to ensure that the Company does not accept forms of payment that are known or suspected as means of laundering money, such as cash payments.

### ***K. Public Disclosures-***

All disclosures made by the Company to its stockholders, the Securities and Exchange Board of India, the Stock Exchange or the investment community must be accurate and complete and fairly present the Company's financial condition, results of operations and cash flows in all material respects, and must be made on a timely basis as required by applicable laws and stock exchange requirements. The Company expects its Employees to provide prompt and accurate answers to enquiries relating to its public disclosures and requirements.

### ***L. Internal Controls-***

All Employees have a responsibility to be aware of the Company's system of internal controls and the appropriate use and safeguarding of Company assets. Employees must comply with applicable internal controls and assist in taking corrective action in the case of control failures, including identifying procedures not being followed properly as well as weaknesses in the internal control system, and striving for improvements in the internal control system. Examples of internal controls include appropriate authorizations and approvals of expenditures, and this Code of Conduct.

### ***M. Compliance with Code of Conduct***

Any Designated Person who knows of or suspects of a violation of applicable laws, rules or regulations or this Code of Conduct, he/she must immediately report the same to the Managing Director. Such person should as far as possible provide the details of suspected violations with all known particulars relating to the issue. The Company recognizes that resolving such problems or concerns will advance the overall interests of the Company that will help to safeguard the Company's assets, financial integrity and reputation.

This Code may be amended, modified or waived only by the Company's Board of Directors and must be publicly disclosed if required by any applicable law or regulation. As a general policy, the Board will not grant any waivers to this Code.

## **2. BUSINESS ETHICS POLICY**

The goal is to foster standards of conduct to ensure that business decisions are driven by the overall obligation of all Employees to protect the assets of the Company. Business decisions are not to be based on financial or business interests between any employees and third parties. Unauthorized concessions or payments to third parties are strictly prohibited.

A violation of the Company standards also may be a violation of law.

### ***1. I. Conflicts of Interest:***

When the Company's Employees, and/or, in some cases, their relatives have significant financial or business interests in another company competing or doing business with the Company, or stand to benefit in some way from such a relationship or activity, their efforts on the Company's behalf could be improperly influenced.

Consequently, all Employees should co-operate in avoiding even the appearance of impropriety. For the purposes of this Code, the spouse, parents, grandparents, children, grand -children and their spouses, siblings, mother-in-law, father-in law, son-in-law, daughters-in-law, sisters-in-law and brothers-in-law of the Employees are included.

The following are some examples (not meant to be all inclusive) of situations in which such outside interests involving the Employees or a relative may lead to conflict with the Company's standards. Because this set of examples is not inclusive, please use good judgment in the spirit of the Code in reviewing situations as they arise:

1. The following are example of the types of activities which, are prohibited for Employees/Designated Persons without the prior written consent of the Managing Director:
  - a. Holding a significant financial interest in the business of any supplier, competitor or customer of the Company when in a position to influence the relationship between the Company and the supplier, competitor or customer. For the purpose of this Code, a "significant financial interest" means an investment of any amount in any company, the securities of which are not publicly listed or quoted, or an investment in excess of 2% of the paid up capital of any company that is publicly listed or quoted. It also means that borrowing from any such company, except for a personal transaction with a bank or comparable financing organization is not permitted.
  - a. Serving as a director, advisor, officer, employee or consultant of any of the Company's competitors.

- b. Serving in any position of any commercial enterprise or other commercial endeavor that would interfere with the performance of duties to the Company.
  - c. Accepting or designating the acceptance by someone else, of any gift or entertainment of value in any way connected with the placing of business with or by any of the Company's supplier or customer.
  - d. Purchasing any materials, equipment, property or services at a cost to the Company in excess of their fair and reasonable value in the free, open and competitive market.
  - e. Competing with the Company in the purchase or sale of any kind of property, tangible or intangible.
  - f. Relatives of Employees may not accept from any third party any gift or entertainment of value in any way connected with the placing of business with or by any Company supplier or customer.
2. The following are examples of the types of activities which must be disclosed to the Managing Director for review and response:
- b. Service as a Designated Person of any commercial enterprise including, but not limited to, any customer or supplier of the Company and any for-profit organization in the health care field.
  - c. Service as a director, advisor, officer, employee or consultant of any not-for-profit organization in the health care field.
  - d. Service as an official, advisor, officer, employee or consultant of any governmental agency, subdivision thereof, or other governmentally-related body in the healthcare field.
  - e. When the Employees become aware of it, the holding by a relative of a significant financial interest (as defined above) in the business of any supplier, competitor or customer of the Company when the Designated Person is in a position to influence the relationship between the Company and the supplier, competitor or customer.
  - f. When the Designated Person becomes aware of it, service by relative as a director, advisor, officer, employee or consultant of any Company supplier, competitor or customer when the Designated Person or his/her relative is in a position to influence the relationship between the Company and such supplier, competitor or customer.

Any disclosure shall be considered on a case-by-case basis, and any action deemed necessary or appropriate by the Company will be at the sole discretion of the Company. Independent members of the Company's Board of Directors must, in accordance with Company policy, disclose various potential conflicts of interest, which will be evaluated by the entire Board to determine compliance with applicable laws and stock exchange rules. Directors involved in any conflict or potential conflict situations shall rescue themselves from any discussion or decision relating thereto.

**II. Confidential Information :** The unauthorized disclosure, while a person as a Director or employed by the Company and thereafter, of any of the Company's confidential business information or intellectual property such as financial data, formulae, processes, advertising methods or prospective transactions, to any other person, firm or corporation is prohibited. The use – directly or indirectly – of confidential Company business information, while employed by the Company and thereafter for personal benefit, for the benefit of immediate family members or for the benefit of any other person, firm or corporation is prohibited. The use of such information generally to the possible detriment of the Company also is prohibited. Communication with securities market professionals concerning the Company unless specifically authorized by an Officer to do so is not permitted. In addition to these obligations of confidentiality, the Designated Person shall be bound by any duties and obligations under any confidentiality agreement or other agreement between the Designated Person and the Company.

2. **III Industry Standards on Relationships with Medical Professionals and Company Sponsorship of Educational and Scientific Symposia:** *The Company complies with standards established by industry and professional groups that concern industry relationships with medical professionals and sponsorship of medical education and scientific symposia.*

**IV. Advertising and Promotional Standards:** It is Company's policy to advertise, promote and label its products in a factual and informative manner. In addition, all such communications must be consistent with applicable governmental regulations. The Company's publicity disseminated advertising and promotional material must accurately and fairly describe the Company's products and not be false, misleading or deceptive. It also is Company policy only to use sales and marketing programs and materials that have been approved in accordance with Company procedures.



### **3. Annexure VIII (vi) Dividend Distribution Policy**

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#### ***1. INTRODUCTION***

The Board of Directors (the “Board”) of *Kumar Autocast Limited* (“Company”) understands the importance of shareholders’ confidence and trust in the Company. In order to preserve the same with transparency and to ensure that there is no conflict of interest or any apprehension in the minds of its shareholders, the Board of the Company, has adopted the Dividend Distribution Policy (“Policy”) and procedures with respect to Dividends declared/ recommended by the Company in accordance with the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time.

#### ***2. BACKGROUND AND APPLICABILITY***

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”), require the Company to formulate and disclose a Dividend Distribution Policy in the annual report and on the corporate website. The Board of Directors (“Board”) of *Kumar Autocast Limited* (“Company”) has adopted this Dividend Distribution Policy to comply with these requirements.

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

### **3. PURPOSE**

The purpose of this Policy is to facilitate the process of dividend recommendation or declaration and its pay-out by the Company which would ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company.

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its profits. The profits earned by the Company can either be retained in business or used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend.

The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business. The Board will refer to the Policy while declaring/recommending dividends on behalf of the Company.

### **4. AUTHORITY**

This Policy has been adopted by the Board of the Company at its Meeting held on February 13, 2021. The Policy shall also be displayed in the Annual Report and also on the website of the Company.

### **5. FORMS OF DIVIDENDS**

#### **➤ *Interim Dividend***

The interim dividend may be declared by the Board one or more times in the financial year as may be deemed fit.

#### **➤ *Final Dividend***

The final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of final dividend to the shareholders for their approval at the Annual General Meeting of the Company. The declaration of final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

#### **➤ *Special Dividend***

The Board may declare/recommend special dividend as and when it deems fit.

### **6. PER SHARE BASIS**

The dividend will be declared on per share basis only.

### **7. STATUTORY AND REGULATORY PARAMETERS**

The Company shall declare dividend only after ensuring compliance with the requisite regulations and directions as stipulated under the provisions of the Companies Act, 2013 and

rules made thereunder, SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, other SEBI regulations and any other regulations as may be applicable from time to time.

## **8. FACTORS AFFECTING DIVIDEND DECLARATION:**

### **1. a) External Factors to be considered while recommending/ declaring dividend**

- Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or of its clients;
- Any political, tax and regulatory changes in the geographies in which the Company operates;
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- Any changes in the competitive environment requiring significant investment.

### **2. b) Internal Factors to be considered while recommending/ declaring dividend**

Apart from the various external factors, the Board shall take into account various internal factors including the financial parameters while declaring dividend, which inter alia will include:

- Expected cash requirements of the Company including working capital, capital expenditure
- Quarterly and Annual results
- Investments including Mergers and Acquisitions (M&A)
- Free cash flow generation
- Buy-back of shares
- Funds required to service any outstanding loans;

### **3. c) Retained Earnings**

Retained earnings would be used to further the company's business priorities. If there are excess reserves beyond the medium to long term business requirements, the retained earnings would be distributed to shareholders via Dividends or other means as permitted by applicable regulations.

### **4. d) Parameters that shall be adopted with regard to various classes of shares**

Currently, the Company does not have different classes of shares and follows the 'one share, one vote' principle. If the Company has more than one class of shares in future, dividend for each class would be subject to prescribed statutory guidelines as well as terms of offer of each class to the investors of that class of shares.

## ***9. DECLARATION OF DIVIDEND***

Dividend shall be declared or paid only out of –

1) Current financial year's profit:

- a. after providing for depreciation in accordance with law;
- b. after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion and as per applicable law.

Or

2) The profits for any previous financial year(s) after providing for depreciation in accordance with law and remaining undistributed;

Or

3) Out of 1) & 2) both.

In case of inadequacy or absence of profits in any financial year, the Company may also declare/ pay Dividend out of the accumulated profits earned by it in previous years and transferred by the Company to the reserves, provided such declaration/ payment of dividend shall be made only in accordance with the provisions of the Companies Act, 2013 and rules specified therein.

## ***10. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND***

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities, government policies & regulations and other relevant factors (as mentioned elsewhere in this policy) and accordingly declare dividend in any financial year.

The shareholders of the Company may not expect dividend under certain circumstances including the following,

- In the event of inadequacy of profits or whenever the Company has incurred losses;
- Significant cash flow requirements towards higher working capital requirements / tax demands / or others , adversely impacting free cash flows;
- An impending / ongoing capital expenditure program or any acquisitions or investment in joint ventures requiring significant allocation of capital;
- Allocation of cash required for buy-back of securities;
- Any of the internal or external factors restraining the Company from considering dividend.

## ***11. UTILIZATION OF RETAINED EARNINGS***

Retained earnings shall be utilized in accordance with prevailing regulatory requirements, creating reserves for specific objectives, fortifying the balance sheet against contingencies, generating higher returns for shareholders through reinvestment of profits for future growth and expansion and any other specific purpose as approved by the Board of Directors of the Company. The Company shall endeavor to utilize retained earnings in a manner that shall be beneficial to both, the interests of the Company and its stakeholders.

## ***12. PARAMETERS WITH REGARD TO VARIOUS CLASSES***

Presently, the issued and paid-up share capital of the Company comprises of equity shares only. In case, the Company issues other kind of shares, the Board may suitably amend this Policy.

## ***13. CONFLICT IN POLICY***

In the event of a conflict between this policy and the existing statutory regulations, the statutory regulations will prevail.

## ***14. REVIEW, AMENDMENT AND DISCLOSURE OF POLICY***

This Policy may be reviewed and amended periodically as and when required by the Board to ensure that it meets the objectives of the relevant legislation and needs of the Company and remains effective. The Board has the right to change/ amend the policy as may be expedient taking into account the law for the time being in force.

In the event of any amendment(s), clarification(s), circular(s), provision(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then the same shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly.

The Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and placed on the Company's website, [www.kumarautocast.com](http://www.kumarautocast.com).

#### **4. Annexure VIII (vii)**

##### ***1. POLICY FOR DETERMINING OF MATERIALITY OF EVENTS***

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##### ***2. INTRODUCTION***

The Policy is framed by the Board of Directors of Kumar Autocast Limited in line with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ‘Listing Regulations’):

- to provide an overall governance framework for determination of materiality of events /information;
- to ensure timely and adequate disclosures of material events / information fully, fairly, correctly and transparently to the Stock Exchange(s), in pursuance with the Listing Regulations, to enable present and potential investors to take informed decision/s with respect to their investment in the

Company.

**3. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:**

1. The Company shall mandatorily disclose the events / information that are deemed to be material, as specified in Para A of Part A of Schedule III of the Listing Regulations, without applying any test of materiality.
2. The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the Listing Regulations, on a case to case basis, depending on facts and circumstances, based on application of the guidelines for determining materiality, as specified below:
  - a) Likely impact of 10% or more on the gross turnover, or revenues or total income as per the last Financial Statements of the Company, or likely impact of 20% or more on the net worth as per the last Financial Statements of the Company; whichever is higher;
  - b) the omission of an event or information, which is likely to result in discontinuity or alteration of event / information already available in public domain;
  - c) the omission of an event or information is likely to result in significant market reaction, if the said omission came to light at a later date;
  - d) any other event / information which, in the opinion of the Board of Directors of the Company, is material and necessary to enable the security holders of the Company to appraise its position and to avoid the establishment of a false market in such securities.
3. The Company shall disclose all events or information with respect to its Subsidiaries, which are material to the Company.
4. Any confidential information which, if disclosed, is likely to put at risk the business interest of the Company, may not be disclosed. The Company shall, to that extent, make qualified disclosure to the stock exchanges.

**4. SCOPE OF DISCLOSURES OF EVENTS OR INFORMATION:**

1. The Company shall disclose to the stock exchanges of all material events / information, as soon as reasonably possible, but not later than 24 hours of the occurrence of the event / information. In case the disclosure is made after twenty-four (24) hours of occurrence of such event or information the Company shall, along with such disclosure(s) provide an explanation for delay.
2. The Company shall disclose to the stock exchanges of all the events specified in sub-para 4 of Para A of Part A of Schedule III of the Listing Regulations within thirty (30) minutes of the conclusion of the board meeting.

3. The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved / closed.
4. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.
5. All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

#### **5. AUTHORITY TO KEY MANAGERIAL PERSONNEL**

The Board of Directors hereby appoint Mr. Ramesh Kumar Sharma Chairman Director, Mr. Arun Kumar Sood, Managing Director and Mr. Ajay Kumar Sood, Director (hereinafter referred as Designated Officers) as the persons authorized severally to determine:

- the Materiality of any event or information,
- the appropriate time at which disclosure is to be filed with the stock exchanges, and
- details that may be filed with the stock exchanges in the best interest of present and potential investors

#### **6. DISSEMINATION OF POLICY:**

This Policy shall be hosted on the website of the Company at [www.kumarautocast.com](http://www.kumarautocast.com) and address of the web-link thereto shall be provided in the Annual Report of the Company.

#### **7. POLICY REVIEW AND AMENDMENTS:**

The Board will constantly review, and if found essential, may amend this Policy from time to time, so that the Policy remains compliant with applicable legal requirements.

#### **8. SCOPE AND LIMITATION:**

In the event where the terms of this Policy differ from the provisions of any existing or new statutory enactments, Rules, Regulations or standard governing the Company, the provisions of such statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.



### **CFO COMPLIANCE CERTIFICATE**

*(pursuant to Regulation 17(8) and Schedule II Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

The Board of directors,  
Kumar Autocast Limited  
CIN L27101PB1985PLC006100  
Regd. Office: - C-179, Focal Point,  
Phase VI, Ludhiana-141010, Punjab

**In compliance with Regulation 17 (8) read with Schedule II Part B of the SEBI (Listing Obligation And Disclosure Requirement) Regulation, 2015 Listing Agreement with the Stock Exchange, I hereby certify that:**

- A.** I have reviewed financial statements and the cash flow statement for the financial year 2023-24 and that to the best of my knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  
- B.** There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates of the Company's code of conduct.
  
- C.** I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
  
- D.** I have indicated to the auditors and the Audit committee
  - i. Significant changes in internal control over financial reporting during the year;

- ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Sd/-**

**Usha Jayaprakash**  
**(Chief financial Officer)**

**Place: Ludhiana**

**Date: 02.09.2024**

**VENUE OF KUMAR AUTOCAST LIMITED**

