



where vision takes shape...

KIC METALIKS LIMITED
ANNUAL REPORT 2012-13



VALUE BASED GROWTH

WORLD OF K I C METALIKS

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FORWARD-LOOKING STATEMENTS

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind that we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Radhey Shyam Jalan
Chairman and Managing Director

Mr. Barun Kumar Singh
Executive Director

Mr. L. N. Sharma
Independent Director

Mr. Suresh Kumar Singhal
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Mukesh Bengani

COMPANY SECRETARY

Ms. Ruchika Dhanuka

AUDITORS

M/s. Agarwal Maheshwari & Co.
Chartered Accountants
2B, Grant Lane, Kolkata - 700 012
West Bengal, India

BANKERS

State Bank of India
State Bank of Hyderabad

REGISTERED OFFICE

“Sir RNM House”
3B, Lal Bazar Street, 4th Floor
Room No. 2, Kolkata - 700 001
West Bengal, India
Phone : 91 33 3068 8681/83
Fax : 91 33 4001 9636

PLANT LOCATION

Raturia, Angadpur
Durgapur - 713 215
West Bengal, India
Phone : 91 98749 43342

REGISTRAR & SHARE TRANSFER AGENTS

M/s. S. K. Infosolutions Pvt. Ltd.
34/1A, Sudhir Chatterjee Street
Kolkata - 700 006, West Bengal, India
Phone : 91 33 2219 4815 / 6797
Fax : 91 33 2219 4815



2012-13 WAS A DEMANDING YEAR. GLOBAL ECONOMIC UNCERTAINTY TRANSLATED INTO LIQUIDITY PRESSURE AND RESULTED AS SLOWDOWN IN INVESTMENT INFLOWS INTO THE EMERGING ECONOMIES. CLOSER HOME, RISING INFLATION LED TO STRENGTHENING OF INTEREST RATES, THEREBY IMPACTING CAPITAL CREATION IN KEY INFRASTRUCTURE SECTORS. MOREOVER, THE POLITICAL UNCERTAINTY COUPLED WITH ECONOMIC CONSTRAINTS LED TO DEFERMENT OF KEY POLICIES. THE TIMES WERE INDEED TOUGH. THE COST OF KEY COMMODITIES CONTINUED TO RISE. THE COMPETITION CONTINUED TO INTENSIFY. THE BALANCE SHEET OF MANY CONTINUED TO REMAIN UNDER PRESSURE.



Amidst this gloom, we have not only survived. We are also learning. And getting ready for a

**PROFITABLE
FUTURE!**





Over the first four years of our operations since acquisition, we have come a long way. Simply by taking One step at a time. Along the way, we continued to modernise and debottleneck existing capacities, create new clients, strengthen processes, improve quality and build an organisation.

Today we are standing at the starting line and are ready to embark on a growth phase with the confidence of our credentials which we have nurtured over the years.

Staring at the threats hovering over the global and Indian steel industry, is no doubt a serious matter of concern. Between the demand and supply of steel, there seems to be a huge gap, which is again deepening through domestic iron-ore supply crisis and cheaper imports of finished steel from other nations with whom we share free-trade agreements.

But beyond these troublesome issues, we also have a matter to cheer, our fully operational sinter and captive power plant, which are going to bolster our scope in the years to come. Now we can even use iron-ore fines and conserve the costly iron-ore which is our major raw material and our access to cheap captive power is also going to bring down our cost of production. Buoyed by the scope lying ahead we are also planning to upgrade the existing production capacity.

Having built a robust platform based on the learning from the past and envisioning the future, we are confident of crossing the strides and achieve a...

...VALUE BASED GROWTH.



VISION

TO BECOME ONE OF THE MOST COMPETITIVE INTEGRATED STEEL PLANTS WITH DIVERSIFIED PRODUCT OFFERING THROUGH TECHNOLOGICAL IMPROVEMENTS, COST EFFICIENCY, UNIQUE PRODUCT QUALITY, SAFE AND HEALTHY WORK PRACTICES AND OUR RESPONSIBILITY TOWARDS THE SOCIETY. TO ACHIEVE LONG-TERM GOOWILL THROUGH, PROFIT FOR SHAREHOLDERS AND SATISFACTION TO CUSTOMERS.

At K I C Metaliks, value based growth for us is not just increasing the topline and bottomline.

For us, it's all about deriving the competitive edge through rich talent pool.

It's about growing the business while protecting the mother nature.

It is about enriching & revamping competencies.

At K I C Metaliks, we are proud to achieve a balanced inter-play of ...

...PEOPLE-PLANET-PROCESS.



2012-13 IN RETROSPECT

Achieved
an EBDETA
growth of
85.34%

Achieved
a total production of
63,718 MT
of Hot Metal

Reserves
as at 31st March, 2013
stood at
₹ 4,058 LAKHS

Achieved a total
Turnover of
₹ 50,341 LAKHS

Revenue
generated per
employee stood at
₹ 202.87 LAKHS



K I C @ 26

Incorporated during 1986 as Prudential Marketing Private Limited.

Commenced business as cast iron manufacturer and exporter & emerged as a successful pig iron producer.

Management control taken over by M/s. Karni Syntex Private Limited during 2010 from its erstwhile promoters.

Management of the Company is led by Mr. Radhey Shyam Jalan with a team of dedicated professionals.

Headquartered at Kolkata and manufacturing facility situated at Raturia, Angadpur, Durgapur.

USP of the key product i.e. Pig Iron is its unique size which aids in ready sale of the product and makes the Company one of the leading producer of Pig Iron in Eastern India. It also produces Portland Slag Cement which uses slag, a by-product of Pig Iron Plant as its major raw material.

One of the few pig iron manufacturers in the region to install Sinter and Power Plant.

237 dedicated employees as on 31st March, 2013.

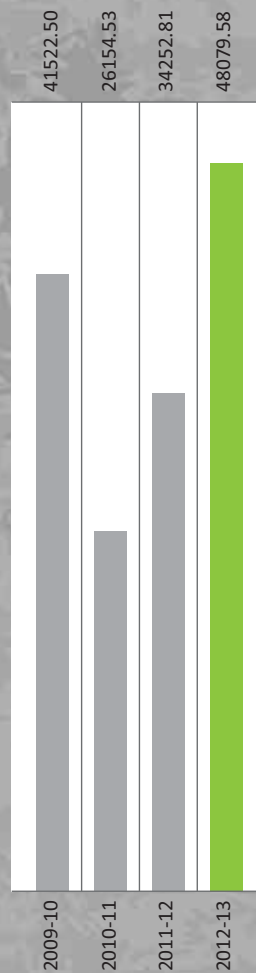
Portland Slag Cement accredited with BIS certifications.



FINANCIAL HIGHLIGHTS 2012-13

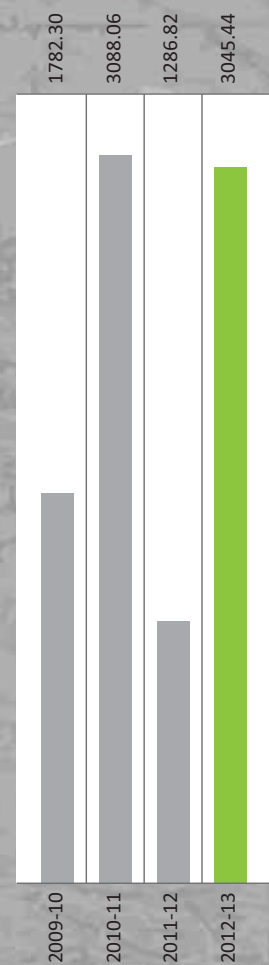
Net Revenue from Operations

(₹ in Lakhs)



EBIDTA

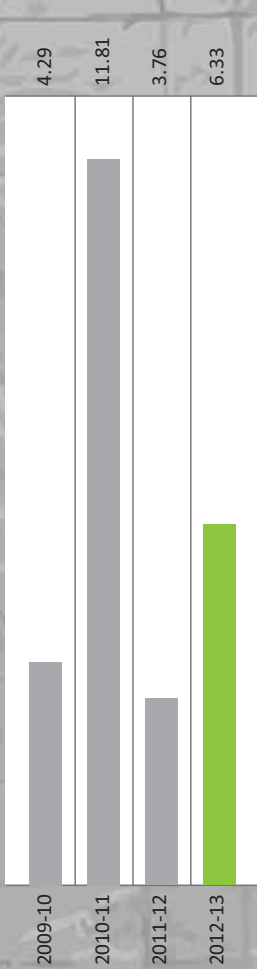
(₹ in Lakhs)





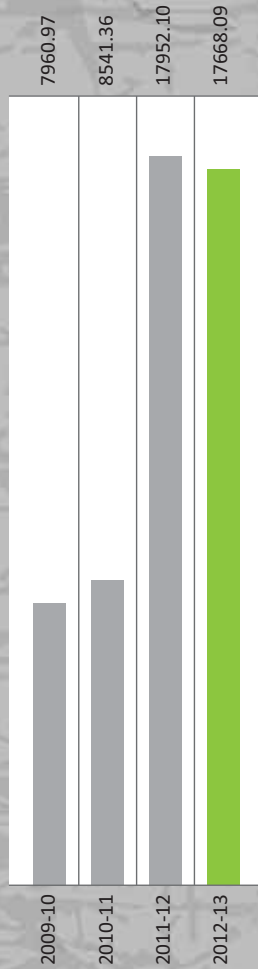
EBIDTA Margin

(% to total revenue)



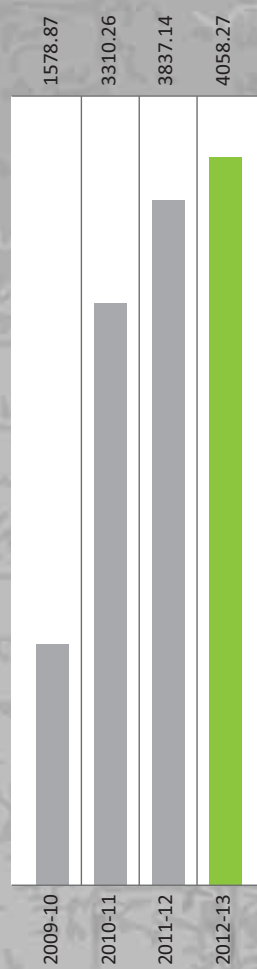
Gross Block (Fixed Assets)

(₹ in Lakhs)



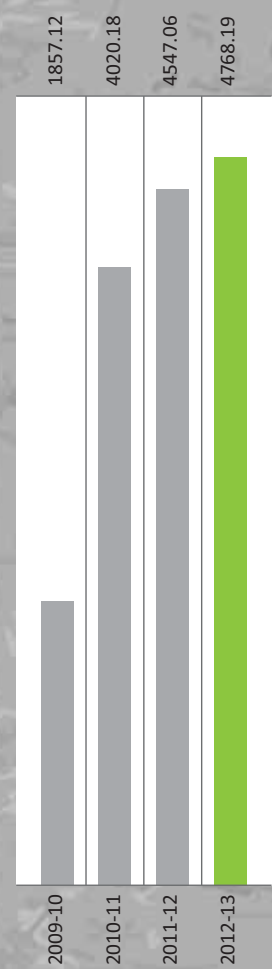
Reserves

(₹ in Lakhs)

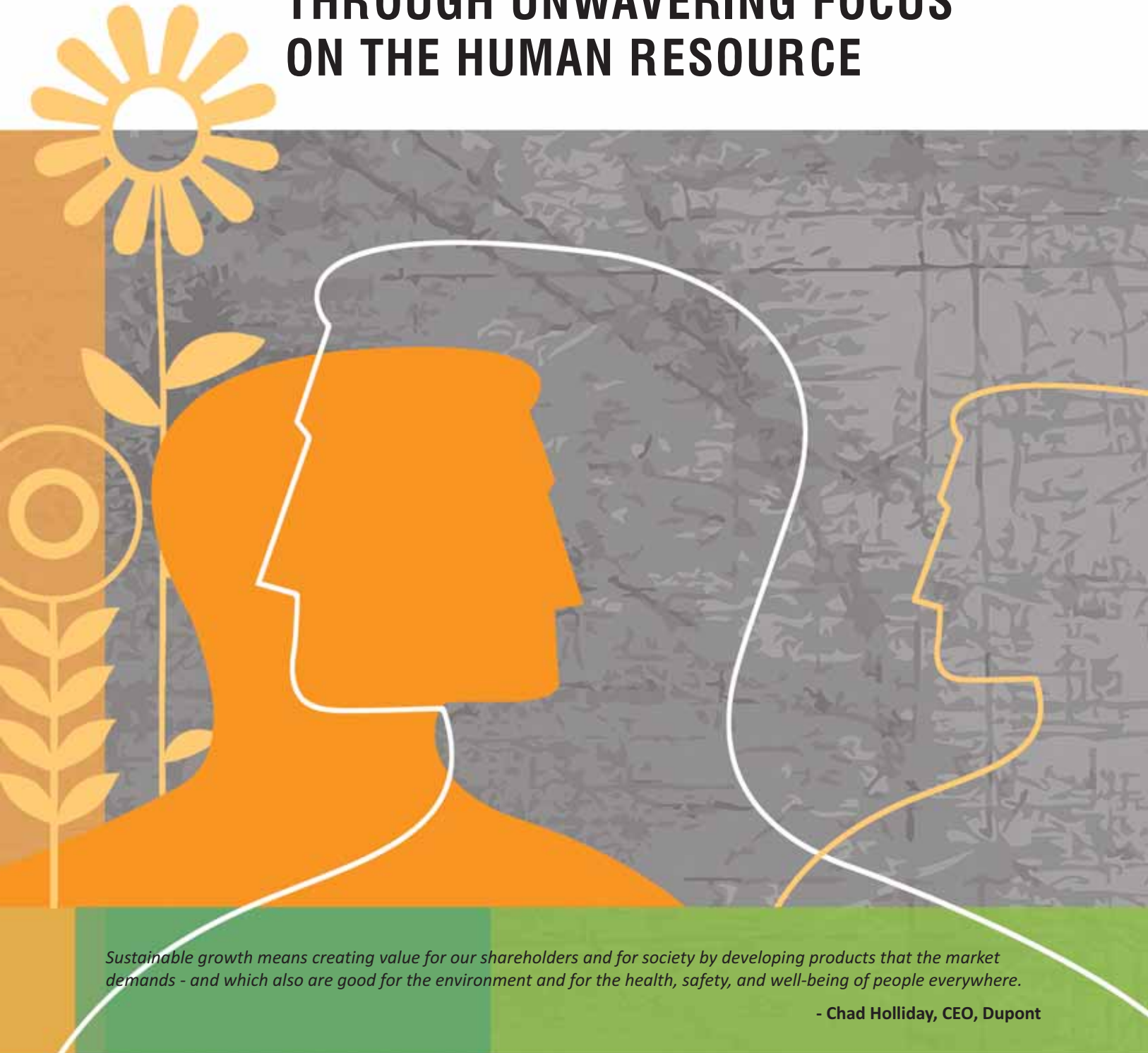


Networth

(₹ in Lakhs)



VALUE BASED GROWTH THROUGH UNWAVERING FOCUS ON THE HUMAN RESOURCE



Sustainable growth means creating value for our shareholders and for society by developing products that the market demands - and which also are good for the environment and for the health, safety, and well-being of people everywhere.

- Chad Holliday, CEO, Dupont



At K I C Metaliks the key to sustainable growth lies in our intellectual capital. How we invest in our people, how we unleash their capabilities and how we encourage them to grow, which in turn influences our growth, are the prime pillars of our corporate culture. Over the years, our Company has followed innovation driven management structure, encouraging egalitarian values and training its people.

The Company's underlying human resource policy is to recruit and retain the best talent through emphasis on core values of trust, continuous learning, joyous environment & teamwork. The Company believes that a warm atmosphere at work is an intangible growth driver. And the simplest way to do so is through inclusion - to engage and empower the people towards realising their dreams.

The HRD goals of the Company comprises of :

- Recruitment and retention of high-caliber employees.
- Encouragement and recognition of outstanding contributions.
- Creation of opportunities for professional growth.
- Development of leadership capabilities across all managerial levels.
- Fostering a sense of employee involvement and developing work ethos that creates dignity and pride.

Initiatives during 2012-13 :

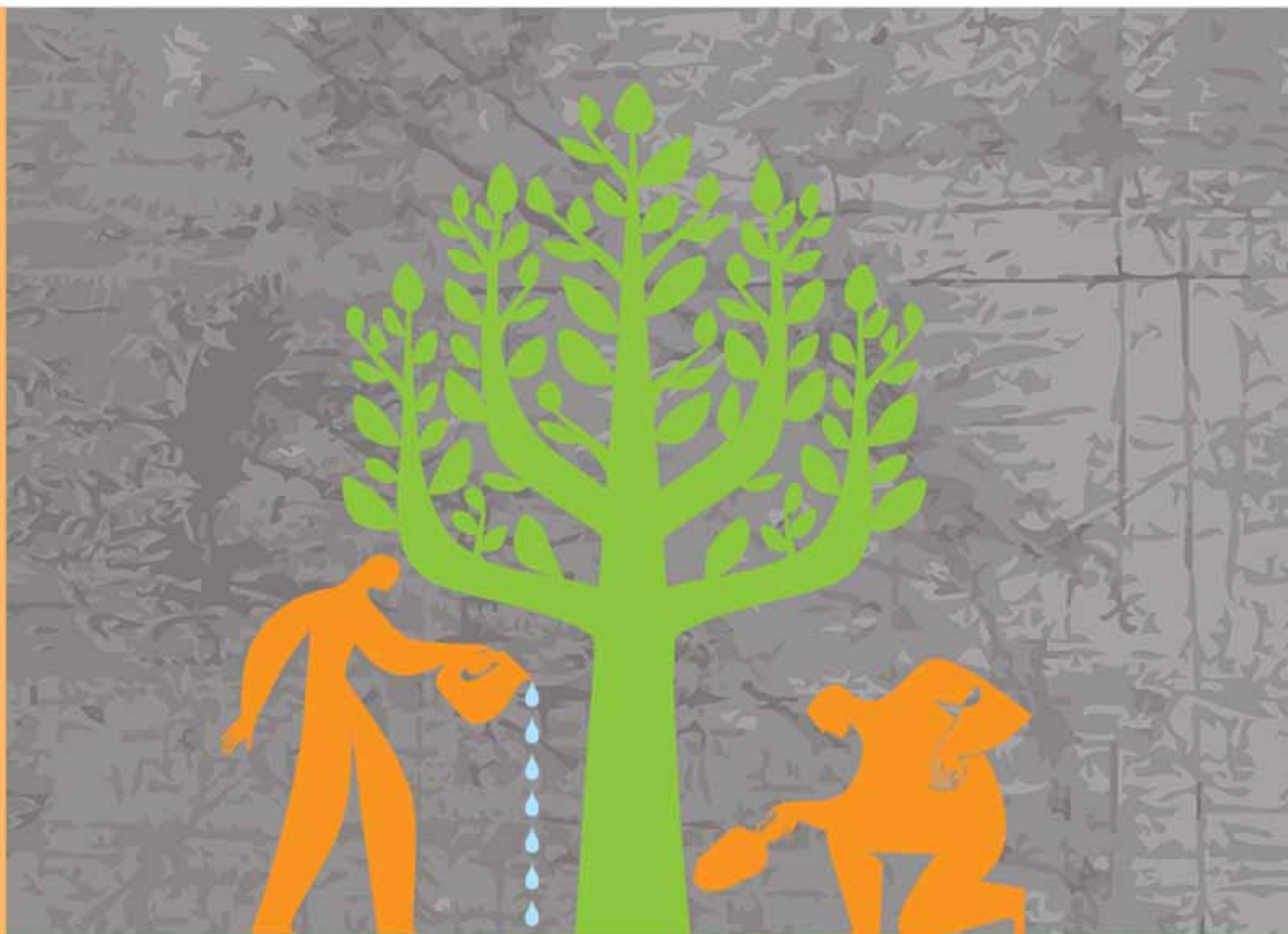
- Regular health & training session for the employees.
- Employee safety has been accorded a top priority at the plant. In lieu with that safety apparels like Helmets, Gum Boots, Gloves, etc have been provided to every employee and a regular surveillance is also conducted for the same.

- Installation of medical gas cylinders at hazardous gas prone areas of the plant premises.
- A dedicated "Occupational Health Centre" inside the plant premises with qualified doctors to handle the basic first-aid requirements of the employees in case of any distress.
- The Company provides pick and drop facility to its employees from various suitable points to the plant premises.
- The Company provides its employees with a dedicated canteen facility including mid-day meals at subsidized rates.

We believe that our people will be the biggest drivers of our growth and diversification agenda and therefore, we have built significant capabilities in the relevant disciplines.



VALUE BASED GROWTH THROUGH A SENSITIVE CONCERN FOR THE PLANET



Sustainability is a fundamental principle of operation. We see it as a way to deepen our understanding of how to be better to our people, better to our planet and to stay profitable.

- Bob Pedersen, President and CEO, Goodwill Industries of North Central Wisconsin



At K I C Metaliks, we are committed to shared values that how we work every day. We believe that clear and consistent commitment to these values is vital for sustainable business success. Our values are an essential part of our culture. They are also the basis for earning the confidence of all our stakeholders. We are continuing to live our core values and are passionate about our environment and community around us.

Clean and green environment

- Over the years, the Company selected to use various eco-friendly manufacturing options, resulting in a benign impact on the environment.
- A 4.7 MW Captive Power Plant has been installed which reduces GHG emissions and thus helps in promoting a cleaner environment around the plant.
- “Someone is sitting in shade today, because someone planted a tree long time ago” - are the golden words spoken by Warren Buffet. Our Company believing in the golden words conducts plantation of tree saplings in and around the plant premises, thereby promoting afforestation.

Precious water

- Water and life are inseparable. It is nature's gift to mankind and is the single most essential component of sustaining life on earth. With rapid urbanisation and

industrialization water all around is getting polluted and potable water is becoming scarce. K I C Metaliks is addressing this concern effective recycling and reuse of the waste water.

Enriching lives. Energising communities

- The Company is also addressing societal needs with due concern for the poor, needy and homeless. It donated one-time meal hand to hand and old clothes alongwith many other basic amenities like soap, shampoos etc. in association with Lions Club, Kolkata, to a 200 year old orphanage named "THE REFUGE", which is situated in the local area of the Company.
- Donation of old clothes to families of around 5 (five) villages in Durgapur and Bankura area.
- Distribution of school kits to around 100 students in the various school of Bankura District of Durgapur.
- Distribution of Umbrellas, plastic sheets to needy and homeless in Durgapur and Kolkata.

VALUE BASED GROWTH THROUGH INCREASING CAPACITIES AND DEVELOPING POTENTIAL



"Productivity and efficiency can be achieved only step by step with sustained hard work, relentless attention to details and insistence on the highest standards of quality and performance."

- J. R. D. Tata



The world is about changes. Changes are about adaptability and readiness. The readiness to the guide for the future is about leadership. Leadership is what the path ahead demands. It can be achieved only through enriching capacities and increasing capabilities.

Over the years by adhering to stringent quality norms we have not only been able to meet the ever increasing customer anticipations but have also been developing our potential in a phased manner to leverage the future opportunities.

Beginning :

We commenced our journey four years ago through a significant acquisition from its erstwhile promoters. The challenges were plenty. From debottlenecking the processes to integrating cost efficiency, from strengthening integration to maintaining the consistency in the quality of the product.

Integration :

We identified the underlying potentials. But the persisting problems had been securing the cost efficiency. In a cyclical business of iron & steel manufacturing, a Company can protect itself from periodic volatility through favourable investments in unfavourable times. We understood the value of having an integrated business model where on the one hand we can have a raw material security and better economies of scale on the other..

Utilisation :

Despite the looming economic uncertainties, we not only strengthened our production capacities but also achieved a total Pig Iron production of 63,718 MT in the current financial year.

Quality :

Pig Iron manufactured by the Company represents inputs for downstream iron & steel industries, making it critical to achieve a high quality standard. Our quality control functions, control in-process checks and examination & inspection of finished products, ensure that the products reaching the customer meets the quality standard as laid down by the management.

Result :

Net Revenue from Operations grew by 40.37% from ₹ 34,252.81 Lakhs in 2011-12 to ₹ 48,079.58 Lakhs in 2012-13.



CHAIRMAN'S PERSPECTIVE

The pursuit towards attaining excellence is ever-demanding and never-ending

Four years ago, when we acquired the company's assets, we embarked on a journey towards creating one of the largest Pig Iron manufacturing Company in Eastern India. The challenges were aplenty - from revamping the processes, to improving the capacities, to instilling a common corporate culture and the biggest being - the global economic downturn. From the initial years itself, we have focused on consolidating operations, capacities and improving efficiencies. Being a proxy to the Steel Industry, it had always been a challenging task for us to achieve the medium term growth without compromising on long-term liquidity and leverage.

In the past 4 years, we have not only achieved a 14.33% CAGR growth in our EBIDTA from ₹1,782.30 Lakhs in 2009-10 to ₹ 3,045.44 Lakhs in 2012-13, but have also gradually scaled up our production capacity verticals.

Looking at the economy

Despite persistent challenges, global economies are now on the mend. Several macroeconomic indicators are pointing to early signs of revival in some countries of the Euro zone and the US. Japan is also strengthening a recovery route after years of minimal growth. Among emerging economies, India's GDP growth in 2013-14 is expected to be moderate, with higher momentum likely to be witnessed in the latter half of the year. The government's recent policy measures will take some time to reflect in the real economy. However, the country's young working population and an enormous domestic market will accelerate long-term growth.

Steel - the backbone of infrastructure

Iron & Steel industry gets its main clientele from the Infrastructure and the Automobile industry. Domestic economy going through a rough phase is witnessing a persistent slowdown leading to slower growth of the above-said industries. Lack of newer infrastructure projects, uncertain raw material supply, shortage of quality manpower, diminishing value of rupee against dollar, uncertain export market and cheaper imports, slowdown in the Automobile industry, are all the negative aspects hurting the Iron & Steel Industry.

But the tide is slowly turning, as the government is determined to push the economy back on track. Infrastructure creation and housing seem to be getting the requisite attention. And here the Iron & Steel industry has a bigger role to play. Here lies the business optimism for K I C Metaliks.

Devising ways for a sustainable growth

The iron-ore supply crisis has impacted the Iron & Steel industry adversely. Moreover the rising fuel cost has also given a dent to the overall margins. To mitigate the effects and remain competitive, we responded by various cost controlling initiatives. The focus was on sweating-off existing capacities to ensure higher overhead absorption. The capacities were debottlenecked to derive the economies of scale.

To begin with, we successfully used low cost iron-ore fines in the production of Pig Iron, through installation of Sinter plant at our existing facility, which would have otherwise being sold in the open market at throw-away prices. To reduce the CO₂ emissions and use the waste heat generated from the

MBF, we successfully installed a Waste Heat Recovery based Captive Power Plant which would reduce our dependence on the grid for power and would also reduce the cost of producing pig iron. Our next priority would be to improve the overall production capacity of pig iron, steps for which are being taken by the management.

The impact of every measure taken by the Company towards its betterment is not only going to enhance the overall margins but is also going to hallmark a bright future of the Company in the long run.

The human potential

An organisation grows on the firm shoulders of its people. We attract, groom and retain talent to spearhead our growth strategies. Our people are our priority; we empower them to excel and develop to the full extent of their potential. We ensure that our policies elevate and enrich the lives of our people and make our bond with them stronger.

The future is bright

Over the years, we have taken numerous initiatives to build an organisational culture based on efficiency, economy and quality. In the process we have revitalized our capacities, identified & nurtured core business and set up a reputed management team. Some of these initiatives have started bearing fruits and some of them remain at an initial stage. However, we remain confident that the impact of the measures taken over the years would translate into numbers going forward. I would like to thank each and every stakeholder of the Company for supporting us and believing in our credentials.

Radhey Shyam Jalan
Chairman



Notice of Annual General Meeting

NOTICE is hereby given that the 26th (Twenty Sixth) Annual General Meeting of the shareholders of **K I C METALIKS LIMITED** will be held on Friday, the 27th day of September, 2013 at 10.00 a.m. at "Rotary Sadan (Shripati Singhania Hall)", 94/2, Chowringhee Road, Kolkata - 700 020 to transact the following business :

AS ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Statement of Profit and Loss of the Company for the year ended on that date along with all annexures and the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. L. N. Sharma who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

By Order of the Board
For **K I C METALIKS LIMITED**

Place : Kolkata
Dated : The 30th day of May, 2013

Ruchika Dhanuka
Company Secretary

NOTES :

1. The details under clause 49 of the Listing Agreement with Stock Exchange in respect of Director proposed to be appointed/ re-appointed at the 26th (Twenty-Sixth) Annual General Meeting, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THIS ANNUAL GENERAL MEETING.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 21st September, 2013 to 27th September, 2013 (both days inclusive).
4. Members are requested to produce the enclosed Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the Meeting Hall.
5. Members, who hold shares in de-materialised form, are requested to bring their Client I.D. and DP I.D. Nos. for easier identification of attendance at the meeting.
6. Members holding shares in physical form are requested to notify immediately any change in their registered address with PINCODE alongwith address proof and bank particulars to the Company or to its Registrar & Share Transfer Agents quoting reference of their folio number and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
7. A member desirous of getting any information on the accounts or operations of the Company or share related matter is requested to forward his/her query(ies) to the Company at least 10 (Ten) days prior to the meeting to enable the management to keep the required information readily available at the meeting.
8. Section 109A of the Companies Act, 1956 extends nomination facility to individual shareholders of the Company. Therefore the shareholders holding share certificates in physical form and willing to avail this facility, can do so by submitting details in the prescribed format, which may be obtained from the Company's Registrars & Share Transfer Agents. However, in case of demat holdings, the shareholders should approach to their respective Depository Participants for making nominations.

Notice of Annual General Meeting

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT

IN THE TWENTY SIXTH ANNUAL GENERAL MEETING

(Pursuant of Clause 49 of Listing Agreement)

Name of Director(s)	Mr. L. N. Sharma
Date of Birth	11.08.1953
Qualifications	B. Com (Honours)
Date of Appointment	17.09.2012
Expertise in specific functional areas	Finance & Accounts
List of other Public Companies in which Directorship held (excluding in Foreign Companies)	1) Global Capital Market & Infrastructure Limited 2) N.C.L. Research and Financial Services Limited 3) Desana Impex Limited
Chairman/Member of the Committees of the Board of Directors of other Companies in which he is a Director (excluding in Foreign Companies)	None
Details of shareholding (both own or held by/for other persons on a beneficial basis), if any, in the Company	Nil



Directors' Report

Dear Members,

Your Directors have pleasure in presenting the Twenty Sixth Annual Report on the affairs of the Company together with the Statement of Accounts for the financial year ended on 31st March, 2013. The summarised financial results for the financial year vis-s-vis the previous year are as follows :

1. FINANCIAL HIGHLIGHTS 2012-13

(₹ in Lakhs)

Particulars	2012 - 13	2011 - 12
Profit before Depreciation, Exceptional items & Taxation	1,694.07	914.02
Less : Exceptional items	(300.80)	(0.43)
Less : Depreciation & Amortisation	(978.50)	(420.52)
Profit before Taxation	414.77	493.07
Less : Taxation including Deferred Tax	(276.63)	(264.84)
Add: MAT credit entitlement	82.99	98.65
Profit after Taxation	221.13	326.88
Balance brought forward from earlier year	1,563.26	1,236.38
Add : Profit after Tax for the year	221.13	326.88
Surplus carried to Balance Sheet	1,784.39	1,563.26

2. OPERATIONS

The Indian economy showed moderate growth during the financial year under review and faced turbulent business environment, rising inflationary pressures, widening current account deficit and adverse fluctuations in foreign exchange. Despite these constraints and the challenging environment, the Company achieved a good growth in its turnover. The gross turnover of the Company has increased from ₹ 35,593 Lakhs in 2011-12 to ₹ 50,341 Lakhs in 2012-13 representing an increase of 41.44% and the Profit before Depreciation, Exceptional items & Taxation of the Company increased to ₹ 1694 Lakhs as against ₹ 914 Lakhs in the previous year, registering a growth of 85.33%.

Production of Hot Metal was higher by 26.84% over the previous year (from 50,233 MT to 63,718 MT). Further, the production of Portland Slag cement was 997 MT as compared to 1,755 MT in the previous year. Decline in production of cement was due to lower demand of the product.

The Company's profit after tax for the year stood at ₹ 221 Lakhs compared to ₹ 327 Lakhs in the previous year, registering a decline of 32.35% over last financial year. The decline was due to higher charge of depreciation, interest cost and exceptional loss incurred on sale of Coke Oven plant.

Directors' Report

3. CHANGES IN THE CAPITAL STRUCTURE

During the year under review, the Company has increased its Authorised Capital by ₹ 50 Crore. As on 31st March, 2013, the Authorised Share Capital of the Company stands at ₹ 100 Crore, which is divided into ₹ 2.50 Crore Equity Shares of ₹ 10 (Rupees Ten) each amounting to ₹ 25 Crore and ₹ 7.50 Crore Preference Shares of ₹ 10 (Rupees Ten) each amounting to ₹ 75 Crore.

In December 2012, the Company has issued on private placement basis, 7% Non-cumulative, Redeemable Preference Shares of face value ₹ 10/- each at par to various investors aggregating to ₹ 16.35 Crore.

Consequent to the issue and allotment of the Preference Shares as aforesaid, the Issued, Subscribed and Paid-up Preference Share Capital of the Company stands increased from ₹ 24.25 Crore to ₹ 40.60 Crore and the Equity Share Capital stands at ₹ 7.09 Crore as on 31st March, 2013.

4. DIVIDEND

Keeping in view the working capital requirements of the Company, your Directors have ploughed back the profits and express their inability to declare any dividend for Equity and Preference shares of the Company for the financial year ended 31st March, 2013.

5. DIRECTORS

Mr. Laxmi Narayan Sharma, Director of your Company is liable to retire by rotation and being eligible offers himself for re-appointment.

As required under Clause 49 of the Listing Agreement, brief particulars of the Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting have been given in the Notice convening the Annual General Meeting.

6. LISTING AND DEMATERIALISATION

The Equity Shares of the Company continued to be listed on the Bombay Stock Exchange Limited which enables the shareholders/ investors to trade in the shares of the Company from any part of the country without any difficulty.

The Annual Listing Fee for the financial year 2012-13 and 2013-14 had been paid to the concerned Stock Exchange. As the members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the depositories, i.e. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). Members are thus requested to avail the facility of dematerialisation of the Company's shares on either of the Depositories as aforesaid, if not already done.

7. AUDITORS

M/s. Agarwal Maheshwari & Co., Chartered Accountants, the Statutory Auditors of the Company will retire at the ensuing Annual General Meeting and are eligible for re-appointment.

The 'Board', based on the recommendation of the Audit Committee, recommends the appointment of M/s. Agarwal Maheshwari & Co., Chartered Accountants (Firm Registration No. 314030E) as Statutory Auditors of the Company who will hold the office till the conclusion of the next Annual General Meeting of the Company. M/s. Agarwal Maheshwari & Co., Chartered Accountants have confirmed their eligibility and willingness to act as the Statutory Auditors of the Company and that their appointment, if made, shall be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

8. AUDIT COMMITTEE

Your Company has an Audit Committee in terms of Section 292A of the Companies Act, 1956 and of Clause 49 of the Listing Agreement. Further details of Audit Committee are given in the Corporate Governance Report annexed as a part of the Directors' Report.



Directors' Report

9. COST AUDITORS

The 'Board', in pursuance of the order issued by the Central Government under Section 233B of the Companies Act, 1956, have appointed M/s. Sohan Lal Jalan & Associates, Cost Accountants (Firm Registration No. 101620), as Cost Auditors of the Company to conduct audit of the cost accounts maintained by the Company in respect of its Steel and Cement business for the year ending 31st March, 2013. The due date for filing their report is 30th September, 2013.

10. PUBLIC DEPOSITS AND BUY BACK OF SHARES

The Company has not accepted any deposits from the public to which the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956, if any and the Companies (Acceptance of Deposit) Rules, 1975 apply (including any statutory modification or re-enactment thereof for the time being in force).

No Buy-back of shares was proposed or pending during the financial year ended on 31st March, 2013.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, and based upon the representations received from the management, the Board of Directors of the Company hereby confirm that :

- (i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed and there were no material departures in compliance thereto;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March, 2013 and of the profit of the Company for the period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the Annual Accounts on a going concern basis.

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

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are given in **Annexure 'A'** attached hereto and forms part of this report.

13. SUSTAINABILITY AND CSR INITIATIVES

Your Company continues to be aligned towards sustainable development by making conscious efforts to reduce the environmental impact of business as well as enhancing its responsibility towards society. Steps are being taken by your Company to reduce its carbon footprint and promote a cleaner and green environment around its plant premises.

We, at K I C, believe that current performance and sustainability go hand in hand and place a strong emphasis on societal needs and are continuously working towards it.

14. PARTICULARS OF EMPLOYEES

The Company had no employee during the financial year ended 31st March, 2013 who was in receipt of remuneration in excess of the limit specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 (as amended).

Directors' Report

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with the requirements of Clause 49 of Listing Agreement, entered into with the Stock Exchange wherein the shares of the Company are listed, Management Discussion and Analysis Report is annexed herewith as **Annexure 'B'** to this report.

16. CORPORATE GOVERNANCE REPORT

As stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchange wherein the shares of the Company are listed, the detailed report on Corporate Governance is annexed herewith and marked as **Annexure 'C'** to this report and the certificate obtained from the Statutory Auditors of the Company, regarding compliance of the conditions of Corporate Governance, as stipulated in the said clause, is also attached to this report.

17. AUDITORS' REPORT

All points in the Auditor's Report are self-explanatory.

18. STATUTORY DISCLOSURES

For the year under review, none of the Directors of the Company are disqualified as per the provisions of Section 274(1)(g) of the Companies Act, 1956. All the Directors have made the necessary disclosures as required by various provisions of the said Act and Clause 49 of the Listing Agreement.

19. NOTE OF APPRECIATION

The 'Board' sincerely thanks the Government Authorities, Shareholders, the Bankers, Vendors, Customers and other Stakeholders for their continued support and co-operation.

The 'Board' also takes this opportunity to acknowledge the industrial harmony at its Plant and also thanks the employees at all levels and other workmen for their commitment and dedication.

For and on behalf of the Board of Directors

Place : Kolkata

Dated : The 30th day of May, 2013

R. S. Jalan

Chairman and Managing Director



Annexure to the Directors' Report

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and as part of the Directors' Report for the financial year ended 31st March, 2013.

A. CONSERVATION OF ENERGY

a) Energy conservation measures taken :

4.7 MW Captive Power Plant became operational during financial year 2012-13.

b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy :

Nil

c) Impact of the measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production :

- Increase in productivity and efficiency.
- Cost reduction.
- Reduction in dependence upon outside power.

d) Power and fuel consumption :

The total energy consumption and energy consumption per unit of production is given in attached Form - A.

B. TECHNOLOGY ABSORPTION

Particulars with respect to Technology Absorption are given in attached Form - B.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans :

There was no export of the Company in financial year 2012-13. However, the Company is taking efforts to explore and develop the export market for the products of the Company.

b) Details of Foreign Exchange used and earned :

(₹ in Lakhs)

	2012 - 2013	2011 - 2012
Details of Foreign Exchange earned	NIL	NIL
Foreign Exchange used	31,683.43	780.79

For and on behalf of the Board of Directors

Place : Kolkata

Dated : The 30th day of May, 2013

R. S. Jalan

Chairman and Managing Director

Annexure to the Directors' Report

FORM – A
(See Rule 2)

Form for disclosure of particulars with respect to conservation of energy

	Current Year (2012-2013)	Previous Year (2011-2012)
A. Power and Fuel Consumption		
1. Electricity		
a] Purchased		
Unit (Lakhs/KWH)	113.05	189.11
Total amount (₹ in Lakhs)	690.46	762.81
Rate/Unit (₹/KWH)	6.11	4.03
b] Own generation		
i] Through Diesel Generator		
Unit (Lakhs/KWH)	1.92	5.19
Unit per Ltr. of Diesel Oil (KWH)	3.89	3.26
Cost/Unit (₹/KWH)	11.07	12.30
ii] Through Steam Turbine/Generator/ Waste Gas Recovery Power Plant		
Unit (Lakhs/KWH)	83.07	–
Unit per Ltr. of Fuel Oil/Gas	114.62	–
Cost/Unit (₹/KWH)	0.40	–
2. Coal		
Quantity (MT)	–	–
Total Cost (₹ in Lakhs)	–	–
Average Rate (₹/MT)	–	–
3. Furnace Oil		
Quantity (K. Ltrs.)	–	–
Total Amount (₹ in Lakhs)	–	–
Average Rate (₹/K. Ltr.)	–	–
4. High Speed Diesel Oil		
Quantity (K. Ltr.)	121.98	159.29
Total Amount (₹ in Lakhs)	54.18	63.90
Average Rate (₹/Ltrs.)	44.42	40.12
B. Consumption per unit of production – per tonne of pig iron		
Electricity (KWH)	308.77	376.46
Light Diesel Oil (Ltr.)	–	–
High Speed Diesel Oil (Ltr.)	1.91	3.17

Note : During the year under review Waste Gas Recovery based Captive Power Plant became operative which has resulted lower purchase of power from DPL and lower generation of electricity through diesel generator. Since Captive power plant was operational during the year, use of HSD oil reduced substantially.



Annexure to the Directors' Report

FORM – B

(See Rule 2)

Form for disclosure of particulars with respect to technology absorption

Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company	:	Nil
2. Benefits derived as a result of the above R & D	:	N.A.
3. Future plan of action	:	Nil
4. Expenditure on R & D		
a) Capital	}	Nil
b) Recurring		
c) Total		
d) Total R & D expenditure as a percentage of total turnover		

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation	:	Nil
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	:	Nil
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :		
a) Technology imported	:	Sintering for iron-ore fines
b) Year of import	:	2010-11
c) Has technology been fully absorbed?	:	Yes. Annular Sinter Plant with annual capacity of 3,36,600 MTPA has been successfully commissioned.
d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	:	N.A.

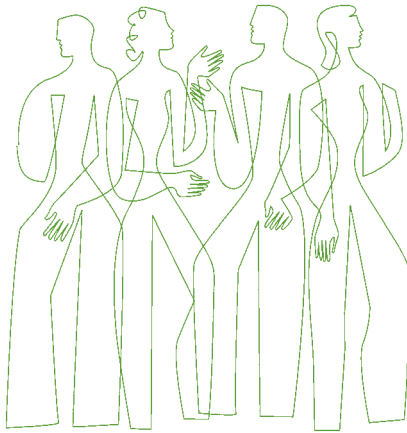
For and on behalf of the Board of Directors

Place : Kolkata

Dated : The 30th day of May, 2013

R. S. Jalan

Chairman and Managing Director



Management Discussion and Analysis Report

ANNEXURE - 'B' TO THE DIRECTORS' REPORT

CAUTIONARY STATEMENT

The projections made in this report may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those expressed in this report due to the influence of external and internal factors that are beyond the control of the Company such as demand-supply mechanism, climatic condition, economic condition, political scenario, Government regulations and policies, taxation, natural calamities and other conditions. All these conditions cumulatively make a significant impact on the Company's performance. Owing to this, certain statements made in this Report pertaining to the projections, outlook, expectations, estimates etc. may differ from actuals.

1. ECONOMIC OVERVIEW

The global economy is yet to recover from the recessionary impact that began since the financial crisis of 2008-2009. Global economic growth dropped to almost 3% in 2012-13 as compared to growth rate of 6.7% in 2008-09, which indicates a major fall since the crisis emerged. Mature economies are still healing the scars of the 2008-2009 crisis and this slowing trend is likely to continue. But unlike in 2010-11 and 2011-12, emerging markets did not pick up the slack in 2012-13. Uncertainty across the regions - from the post-election 'fiscal debate' question in the U.S. to the Chinese leadership transition and reforms in the Euro Area - will continue to have global impacts in sluggish trade and tepid foreign direct investment.

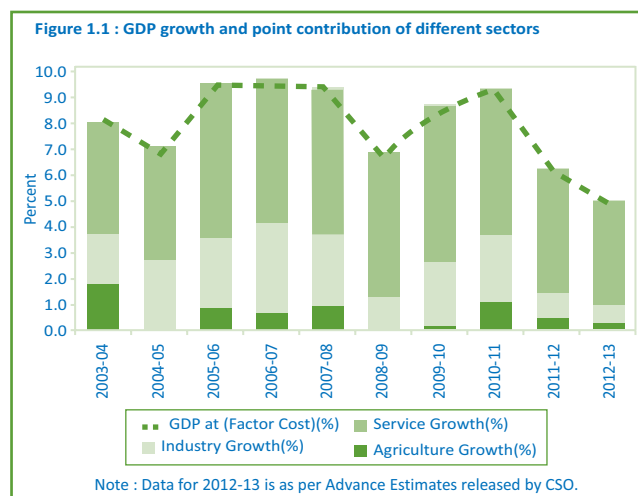
In the light of the slowdown in the global economy, the Indian economy is also adversely impacted. According to the Advance Estimates of National Income for 2012-13 released by Central Statistical Organisation (CSO), India's economic growth rate this fiscal is estimated to be sharply lower at 5%, as compared to a growth rate of 6.2% in 2011-12, on account of poor performance of manufacturing, agriculture and services sector. This means that the pace of economic expansion has slowed sharply in the second half of 2012-13, given that GDP growth in the April-September period stood at 5.4%. CSO's advance estimate lowered the growth in agriculture and allied activities to 1.8% in 2012-13, compared to 3.6% in 2011-12. Manufacturing growth is also expected to drop to 1.9% in this fiscal, from 2.7% last year. Further, the services sector including finance, insurance, real estate and business services sectors are likely to grow by 8.6% this fiscal, against 11.7% last fiscal.

GDP growth estimates in 2013-14 show that it is expected to grow at 5.7% but a recovery in growth crucially rests on drivers such as incentivising investments, a pick-up in consumption and exports, removing structural supply-side bottlenecks, etc.

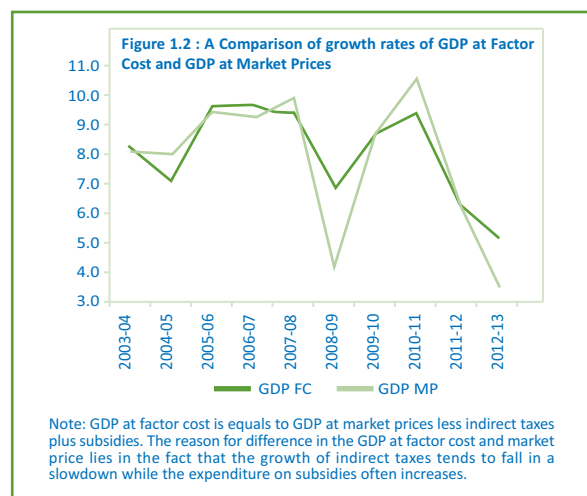
Fig 1.1 shows the contribution of service, industry and agriculture sector to overall growth of the economy from 2003-04 to 2012-13 and Fig 1.2 shows a comparison of growth rates of GDP at Factor Cost and GDP at Market Prices.



Management Discussion and Analysis Report



Source : Advance Estimates released by CSO (Central Statistical Organisation)



2. INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Steel Industry

In the early part of 2013, the key risks to the global economy - the Eurozone crisis, a hard landing for the Chinese economy, and the US fiscal cliff issue - have all stabilised considerably and we now expect a recovery in global steel demand to kick in by the second quarter of 2013-14, led by the emerging economies. Yet, the situation on the financial markets remains fragile and the Eurozone crisis is far from being solved as the recent events in Cyprus have again shown. In 2014-15, we expect a further pickup in global steel demand with the developed economies increasingly contributing to growth.

Indian Steel and Pig Iron Industry

Steel industry in India is under a stress. Domestic demand is not picking up, there is a shortage of vital raw materials as well as technical manpower, exports are drying and new projects are either halted or lagging behind the schedule. Non-availability of vital inputs like iron-ore and coking coal has put Indian iron and steel sector on back foot. Another important issue is market stagnation and erosion of consumer demand in the recent times. The two most important user sectors, infrastructure and auto, are not growing and this is a very big concern for the steel industry. Infrastructure needs stimulus and trigger from the government in terms of finance and funds allotment which is missing at present while the Auto industry needs soft interest rates and a growing economic climate to facilitate vehicle sale. The increase in fuel prices negatively impacted the already low market sentiments.

Your Company is a part of the Steel industry belongs to the Pig Iron industry and is one of the major producer of pig iron in eastern Indian region. Pig iron is the solid form of hot iron metal, obtained by smelting iron-ore with coke. India produces around 5.5 million tonnes (MT) of pig iron every year. Demand for pig iron is directly linked to buying interest for long steel products, used in construction, as it is the raw material for producing billets and ingots, the semi-finished steel long products.

Iron-ore and coking coal are the two major raw materials for pig iron production. Due to the iron-ore mining crisis, its purchasing costs have gone up very sharply and have added to the woes of the pig iron producers across India. High iron-ore prices are adversely impacting the margins of pig iron makers having no captive mines while integrated ones with captive mines may see some margin expansion. Persistent high cost of pig iron production and producer's limited ability to pass on higher costs due to subdued demand from end-users industries is set to create a rampant pressure which will be higher on the producers with no captive raw material linkages.

The cost of funding working-capital requirements remains high despite the marginal reduction in Repo rate by the Reserve Bank of India in early 2012. A weaker rupee raises the financial leverage of pig iron producers as the major raw material i.e. coking coal is being imported.

As per the Global steel market review, in 2014, the demand for the pig iron will improve modestly resulting in the modest increase in capacity utilization and pig iron prices.

Management Discussion and Analysis Report

3. Strengths

- In comparison to the global labour charges, India boasts the lower wage rates, which ultimately eases pressure on the total cost of production of hot metal.
- Manpower availability, with requisite technical and managerial skills provides strength.
- As a move of backward integration your Company has set up 4.7 MW Captive Power Plant (CPP) and 3,36,600 MTPA Annular Sinter Plant.

The CPP is helping in reduction of pollution levels i.e. reducing CO₂ and other Green House Gas emissions and is reducing the dependence of the Company on outside power sources, while the Sinter Plant is helping to consume waste products like iron-ore fines of the Pig Iron Plant thus reducing the usage of high cost iron-ore lumps and met coke and will thus be providing higher efficiency gains to your Company in future.

- K I C has a strong relationship with suppliers and customers which provide strength to the Company.

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4. Weakness

- Availability of iron-ore in future is quite uncertain due to legal, social and environmental bottlenecks.
- Research and developments are inadequate and underdeveloped in Pig Iron industry due to intermediate nature of the product.
- Lack of new infrastructure projects and low government spending on infrastructure sector and inadequate availability of land in right place and right size, delays in land acquisition etc. had adversely affected the infrastructure sector and hence the Pig Iron industry.
- Dependence of the Company on imported coal/coke is high, on account of high price and low quality of the domestically available coking coal/coke.
- Weakening of rupee vis-à-vis foreign currency is adversely affecting the import dependent industry.
- Higher transport costs, being one of the highest in the world, have the potential to rob the domestic Pig Iron industry of vital competitive strength.
- Company sources a major portion of its key raw material i.e. the metallurgical coke/coking coal, by importing from outside India and thus suffers from import constraints.

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5. Opportunities

- As the basic demands of steel depends on the growth of the GDP (Gross Domestic Product), hence by a consequent increase in the overall growth rate, need for intermediate steel products like pig iron can increase.
- Development plans of the government stressed on housing and construction of rural infrastructure i.e. highways, bridges, roads etc., both in rural and urban areas are an opportunity which support a stronger steel consumption base.
- As pig iron is mainly, a labour-intensive industry, improving labour skills and efficiency levels can lead to a potential decline in total production costs.
- Your Company is also exploring the prospects of acquiring captive mines of the iron-ore and coking coal both in India and overseas as a measure of backward integration.
- Your Company plans to maximize revenues from waste and has thus commissioned and is successfully running a waste heat recovery based Captive Power Plant and a Sinter Plant.

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6. Threats, Risk & Concerns

- Increasing daily cost of the industry towards use of infrastructure such as rail, road and ports, power, fuel etc., coupled with high costs of land, labour, capital and equipments is a major threat for the Company and the Pig Iron industry as a whole.
- Labour productivity is exhibiting a declining trend while wage rates show a rising trend, robbing the industry of its labour cost advantage.
- The global slowdown and the financial crisis which is continuing till now, especially in China, which is the largest producer of steel in the world, may result in oversupply which can lead to dumping of steel in other developing nations and thus cause depression in steel prices.
- Uncertain and fluctuating pig iron prices, embarks a vague future for the Company.

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Management Discussion and Analysis Report

7. FUTURE OUTLOOK

A country like India has tremendous opportunity to flourish its economy and the lives of its citizens. Also, given a modest per capita steel consumption, availability of raw material and the markets, the iron & steel industry in this country has a vast potential to grow. The long-term outlook for steel demand in India is quite robust due to increasing demand from several sectors, including automotive, consumer durables, oil and gas, industrial machinery, real estate and infrastructure.

The longer-term business environment of Pig Iron industry remains stable with a gradual move towards equilibrium. Notwithstanding multiple cost and regulatory pressures, strategic positioning with sinter and power plant as a move of backward integration coupled with stronger customer relations, remains key to mitigating downside risk and exploiting opportunities. On the cost front, rising price of iron-ore & coking coal and railway & road freight are expected to continue to put pressure on the Company, while volumes would continue to be challenged by ease of availability of key raw materials. We remain confident that the industry will emerge stronger out of the current turmoil with a strict, robust and stable regulatory environment and we continue to remain optimistic of overcoming the current and any future obstacles.

Despite adverse events, K I C looks ahead to a hopeful early resolution of challenges. We continue to further our systemic robustness and strengthen our processes to handle future challenges.

8. PERFORMANCE OF THE COMPANY (FINANCIAL, OPERATIONAL AND PRODUCT WISE)

HIGHLIGHTS

- Production of Hot Metal increased by 26.84% from 50,233 MT in previous financial year 2011-12 to 63,718 MT in current financial year 2012-13.
- Net Sales/Turnover of the Company increased by 40.37% from ₹ 34,253 Lakhs in previous financial year 2011-12 to ₹ 48,080 Lakhs in current financial year 2012-13.
- Profit before Depreciation, Exceptional items & Taxation of the Company increased by 85.34% from ₹ 914 Lakhs in previous financial year 2011-12 to ₹ 1,694 Lakhs in current financial year 2012-13.
- PBT decreased by 15.82% from ₹ 493 Lakhs in previous financial year 2011-12 to ₹ 415 Lakhs in current financial year 2012-13.
- PAT decreased by 32.35% from ₹ 327 Lakhs in previous financial year 2011-12 to ₹ 221 Lakhs in current financial year 2012-13.
- Basic EPS decreased by 32.39% from ₹ 4.60 per share in previous financial year 2011-12 to ₹ 3.11 per share in current financial year 2012-13.

9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate Internal Audit Control System commensurate with the size and nature of its business. The management continuously reviews the system and procedures to ensure orderly and efficient conduct of business, to safeguard properties of the Company and compliances with the policies and statutes.

Your Company has appointed M/s. Raj Kumar Kothari & Co., Chartered Accountants for conducting internal audit for its various activities in order to monitor the performance of the Company on a continuous basis and to suggest not only remedial but improved measures for operating the business. The Company adheres to its written policies with respect to all transactions, financial reporting and budgeting. The Management regularly reviews Internal Audit Reports to monitor the effectiveness of internal controls in the organisation. The Audit Committee of the Board continuously reviews the significant observations, if any, of the Internal and Statutory Auditors on financials.

Management Discussion and Analysis Report

10. HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONSHIP

At K I C, people are our most important assets and a source of competitive advantage. K I C is committed to creating an open and transparent organisation that is focused on people and their capability, and fostering an environment that enables them to deliver superior performance. The HR function acts as an effective lever for driving the Company's strategic initiatives and helps in integrating and aligning all people practices to K I C's business priorities.

The human resource strategy is aimed at talent acquisition, development, motivation and retention. Our training, continuing education and career development programs are designed to ensure that our professionals enhance their business skills and grow with the Company. Efforts are made to implement best people practices in the Company to foster a culture of learning, belongingness and care in the organisation.

K I C continues to have a good track record of cordial industrial relations. K I C's HR team is also actively involved in Corporate Social Responsibility (CSR) initiatives across various locations and works towards promoting health and education to the not so privileged members of the society.



Corporate Governance Report

ANNEXURE 'C' TO THE DIRECTORS' REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance refers broadly to the rules, processes or laws by which businesses are operated, regulated and controlled. A well defined and enforced Corporate Governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws. Governance practices may vary but the principles are generic and universal, viz- commitment of the Board in managing business ethically and in a transparent manner with the profit objective balanced by long term value equitably for all stakeholders. Stakeholders would include everyone ranging from the Board of Directors, management, shareholders to customers, employees and society at large.

Any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders' aspirations and societal expectations. With the increasing complexities in business of organizations, sound governance practices are indispensable to build and sustain trust in all its stakeholders.

K I C is committed to follow the best Corporate Governance practices in all its pursuits and its philosophy is to constantly achieve business excellence and optimize long term value through ethical business conduct. Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations, including everyone it works with, the community it is in touch with and the environment it has an impact on.

2. BOARD OF DIRECTORS

- 2.1 The Board of Directors of the Company, 'Board' has a balanced combination of Executive and Non-Executive Directors having in-depth knowledge of business and is in conformity with Clause 49 of the Listing Agreement as entered into with the Bombay Stock Exchange where the shares issued by the Company are listed. As on March 31, 2013 the Board comprised of 4 Directors, of which 2 are Independent Non-Executive Directors and 2 are Whole time Directors.
- 2.2 None of the Directors on the 'Board' is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2013 have been made by all the Directors.

During the financial year 2012-13, five Board Meetings of the Company were held on 30th May, 2012; 17th September, 2012; 12th November, 2012; 31st December, 2012 and 14th February, 2013. The composition of the 'Board' and their attendance at the Board

Corporate Governance Report

meetings held during the last fiscal year and at the last Annual General Meeting, and the number of other directorship and Board Committees' membership/chairmanship held in other Public Companies are as follows :

Name and Category of the Directors	No. of Board Meetings Attended	Attendance at the Last AGM	No. of other Directorship held [#]		No. of other Committee membership held [#]	
			As Member	As Chairman	As Member	As Chairman
Mr. R. S. Jalan (Executive, Chairman & Managing Director)	5	Yes	1	Nil	Nil	Nil
Mr. Barun Kr. Singh (Executive Director)	4	Yes	Nil	Nil	Nil	Nil
Mr. S. K. Singhal (Independent, Non-Executive)	4	No	Nil	Nil	Nil	Nil
Mr. T. N. Gunaseelan* (Independent, Non-Executive)	2	No	Nil	Nil	Nil	Nil
Mr. L. N. Sharma** (Independent, Non-Executive)	3	No	3	Nil	Nil	Nil

Notes :

[#] Excludes Directorships/Committee membership in Private Limited Companies, Companies under Section 25 of the Companies Act, 1956 and Foreign Companies and Associations.

* Ceased to be a Director with effect from 17th September, 2012.

** Appointed as Additional Director on 17th September, 2012 and confirmed as a Director on 28th September, 2012.

2.3 The agenda along with explanatory notes (for Board and other meetings) are sent in advance to all Directors to get their input in the discussion.

The Board periodically reviews the compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify the instances of non-compliance, if any.

2.4 A Code of Conduct for the Board of Directors and Senior Management of the Company as adopted is made available on the Company's website, www.kicmetaliks.com.

All the Board members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct as on 31st March, 2013.

DECLARATION

As provided under Clause 49 of the Listing Agreement entered into with the Stock Exchange(s), all the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March, 2013.

For **K I C METALIKS LIMITED**

Place : Kolkata

R. S. Jalan

Dated : The 30th day of May, 2013

Chairman and Managing Director



Corporate Governance Report

3. BOARD COMMITTEES

A. Audit Committee

- (a) The Company has an Audit Committee within the scope as set out in Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956.
- (b) The terms of reference, role and scope of the Audit Committee are in conformity with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchange(s).
- (c) The Audit Committee consists of three Directors, all of whom are persons with considerable financial experience and expertise. The Committee has two Independent, Non-Executive Directors and one Executive Director, Mr. L. N. Sharma, Chairman of the Committee is an Independent Director but due to some un-avoidable causes could not be present at the last Annual General Meeting of the Company held on 28th September, 2012. Due to other pre-occupations, Mr. T. N. Gunaseelan, erstwhile Chairman of the committee, resigned from the 'Board' on 17th September, 2012 and Mr. L. N. Sharma was appointed as the new Chairman of the Committee on the same date.
- (d) The Audit Committee met 5 (five) times during the financial year 2012-13 i.e. on 30th May, 2012; 28th June, 2012; 17th September, 2012; 12th November, 2012 and 14th February, 2013 and not more than four months have elapsed between two meetings.
- (e) Present composition of the Audit Committee and details of the meetings attended by the members are given below :

Name of the Director	Position held	No. of Audit Committee Meetings	
		Held	Attended
Mr. T. N. Gunaseelan*	Chairman*	3	3
Mr. L. N. Sharma#	Chairman#	2	2
Mr. S. K. Singhal	Member	5	4
Mr. R. S. Jalan	Member	5	5

* Ceased to be a Director with effect from 17th September, 2012.

Appointed as an Additional Director and co-opted as Chairman of the Audit Committee with effect from 17th September, 2012.

- (f) The Audit Committee invites, as and when it considers appropriate, the Statutory Auditors to be present at the Committee's meeting. Ms. Ruchika Dhanuka, Company Secretary acts as the Secretary to the Committee.

B. Remuneration Committee

- (a) The Company also has a Remuneration Committee of 'Board'. All the members are Non-Executive, Independent Directors. The Remuneration Committee met on 30th May, 2012 and 17th September, 2012 during the financial year 2012-13.
- (b) The composition of the Remuneration Committee as on 31st March, 2013 and attendance at the meeting of the Committee during financial year 2012-13 is as under :

Name of the Director	Position held	No. of Remuneration Committee Meetings	
		Held	Attended
Mr. S. K. Singhal	Chairman	2	2
Mr. T. N. Gunaseelan*	Member*	2	2
Mr. L. N. Sharma#	Member#	0	0

* Ceased to be a Director with effect from 17th September, 2012.

Appointed as an Additional Director and co-opted as member of the Remuneration Committee with effect from 17th September, 2012.

Corporate Governance Report

- (c) **Terms of Reference :** The committee has the mandate to review and recommend compensation payable to the Whole Time Directors and Senior Management of the Company and other service terms and conditions applicable to them. It can fix/change sitting fees payable to 'Board'/Committee members for attending the meetings. The committee shall administer the Company's stock option plans, if any, including the review and grant of the stock options to eligible employees under plans and may also review the performance of the Whole Time Directors and Senior Management of the Company.
- (d) **Remuneration Policy** of the Company is directed towards rewarding performance based on review of achievements on a periodic basis. The Company pays remuneration by way of salary, benefits, perquisites, and allowances to its Executive Directors, while Non- Executive Directors are only paid sitting fees for attending each meeting of the 'Board' and/or Committee thereof and the same is within the limits prescribed by the Companies Act, 1956.

The details of remuneration paid to the Executive and Non-Executive Directors during the financial year ended 31st March 2013, are as follows :

a) **Executive Directors :**

Name of the Director	Salary including Benefits/ Allowances, etc. (₹)	Period of Contract	
		From	To
Mr. R. S. Jalan	12,00,000	31.01.2011	30.01.2014
Mr. Barun Kr. Singh	15,02,930	30.05.2012	29.05.2015
Total	27,02,930		

The above remuneration of Mr. Barun Kr. Singh, Executive Director was reviewed and recommended by the Remuneration Committee to the 'Board' on 30th May, 2012 and was also approved by the shareholders of the Company.

No severance fees is payable to the Executive Director on termination of the employment. The contract may be terminated by either party giving the other party three months notice. The Company does not also have any scheme for grant of Stock Options to its Directors, Managing Director or other employees at present.

b) **Non-Executive Directors :**

Name of the Director	Sitting Fees (₹)**	Commission (₹)	No. of shares / convertible debentures held
Mr. T. N. Gunaseelan*	Nil	Nil	Nil
Mr. L. N. Sharma#	Nil	Nil	Nil
Mr. S. K. Singhal	Nil	Nil	Nil

* Ceased to be a Director with effect from 17th September, 2012.

Appointed as Additional Director on 17th September, 2012 and confirmed as a Director on 28th September, 2012.

**In view of the past losses of the Company, Mr. T. N. Gunaseelan, Mr. L. N. Sharma and Mr. S. K. Singhal have waived their sitting fees for attending the Board Meetings and Audit Committee Meetings.

C. Shareholders' / Investors' Grievance Committee

The terms of reference of Shareholders' / Investors' Grievance Committee is to address the investors complaints regarding non-receipt of Annual Reports, non-receipt of declared dividends, issue of duplicate certificates and other allied complaints and provide for their speedy redressal. The committee also evaluates performance and service standards of Registrar & Share Transfer Agents of the Company and also provides continuous guidance to improve the service levels for investors. The Registrar and Share Transfer Agents address the shareholders' /investors' grievance within a period of 15 days from the date of receipt.



Corporate Governance Report

During the year 2012-13, the committee met 4 times on 30th May, 2012; 17th September, 2012; 12th November, 2012 and 14th February, 2013.

The composition of the Shareholder's/Investor's Grievance Committee and the attendance of member Directors during the financial year 2012-13 are as follows :

Name of the Director	Position held	No. of Investor Grievance Committee Meetings	
		Held	Attended
Mr. T. N. Gunaseelan*	Chairman*	2	2
Mr. L. N. Sharma#	Chairman#	2	2
Mr. S. K. Singhal	Member	4	3
Mr. R. S. Jalan	Member	4	4

* Ceased to be a Director with effect from 17th September, 2012.

Appointed as an Additional Director and co-opted as member of the Shareholders'/Investors' Grievance Committee with effect from 17th September, 2012.

Name, designation and address of Compliance Officer :

Ms. Ruchika Dhanuka

Company Secretary

K I C Metaliks Limited

"Sir RNM House", 3B, Lal Bazar Street,
4th Floor, Room No. 2, Kolkata - 700001.

Phone : +91-33-30688681/83

Fax : +91-33-40019636

E-mail : companysecretary@kicmetaliks.com

Shareholder/Investor Complaints :

Particulars	Nos.
Number of complaints pending as on 1st April, 2012	Nil
Number of complaints received during 1st April, 2012 to 31st March, 2013	1
Number of complaints disposed off during the year ended on 31st March, 2013	Nil
Number of complaints pending as on 31st March, 2013	1

D. Finance Committee

The committee looks after the matters pertaining to finance such as issue and allotment of securities, borrowings from banks and other corporate bodies, budget, investment, etc.

The committee is headed by Mr. S. K. Singhal, an Independent Director. Mr. T. N. Gunaseelan, Independent Director and Mr. R. S. Jalan, Chairman and Managing Director are the members of the said committee. The Statutory Auditors and Chief Financial Officer of the Company are invited on a regular basis to attend Finance Committee meetings.

During the financial year 2012-2013, the Committee met 2 (two) times on 30th May, 2012 and 31st December, 2012.

Corporate Governance Report

The composition of the Finance Committee and the attendance of member Directors during the financial year 2012-13 are as follows :

Name of the Director	Position held	No. of Finance Committee Meetings	
		Held	Attended
Mr. S. K. Singhal	Chairman	2	2
Mr. T. N. Gunaseelan*	Member*	1	1
Mr. L. N. Sharma#	Member#	1	1
Mr. R. S. Jalan	Member	2	2

* Ceased to be a Director with effect from 17th September, 2012.

Appointed as an Additional Director and co-opted as member of the Finance Committee with effect from 17th September, 2012.

E. Share Transfer Committee

The Board has constituted the Share Transfer Committee which as on 31st March, 2013, comprised of 3 Directors and the Company Secretary acts as the Secretary of the Committee.

The committee deals with various matters such as :

- To review and note all matters relating to the registration of transfer and transmission of shares and debentures, issue of duplicate share certificates or allotment letters and certificates for debentures in lieu of those lost/misplaced, etc.
- To review de-materialisation and re-materialisation of the shares of the Company.

During the financial year 2012-13, the committee met 5 (five) times on 16th May, 2012; 31st July, 2012; 10th November, 2012; 15th December, 2012 and 16th February, 2013.

The composition of the Share Transfer Committee and the attendance of member Directors during the financial year 2012-13 are as follows :

Name of the Director	Position held	No. of Share Transfer Committee Meetings	
		Held	Attended
Mr. R. S. Jalan	Chairman	5	5
Mr. P. C. Sahoo**	Member**	1	1
Mr. T. N. Gunaseelan*	Member*	2	1
Mr. L. N. Sharma#	Member#	3	3
Mr. Barun Kr. Singh	Member	4	4

**Ceased to be a Director with effect from 30th May, 2012.

* Ceased to be a Director with effect from 17th September, 2012.

Appointed as an Additional Director and co-opted as member of the Share Transfer Committee with effect from 17th September, 2012.



Corporate Governance Report

4. GENERAL BODY MEETINGS

a) Details regarding venue, date and time of last 3 (three) Annual General Meetings of the Company are as follows :

Financial Year	Date	Time	Location
2011-12	28.09.2012	10:00 A.M.	Rotary Sadan, Shripati Singhania Hall, Lala Lajpat Rai Sarani, Kolkata - 700020
2010-11	26.08.2011	10:00 A.M.	Rotary Sadan, Shripati Singhania Hall, Lala Lajpat Rai Sarani, Kolkata - 700020
2009-10	20.08.2010	10:00 A.M.	Bhartiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700017

b) Details regarding Special Resolutions passed in last 3 (three) Annual General Meetings are as follows :

Shareholder's Meeting	Business requiring Special Resolution
25th Annual General Meeting held on 28.09.2012	Nil
24th Annual General Meeting held on 26.08.2011	Nil
23rd Annual General Meeting held on 20.08.2010	Nil

c) Details regarding resolutions passed through Postal Ballot during financial year 2012-13 :

During the financial year 2012-13, 2 (Two) Postal Ballot results were announced on 18th February, 2013 and 28th March, 2013.

i) On 18th February, 2013 the following resolution was passed by requisite majority through Postal Ballot:-

- Ordinary Resolution for Increase in Authorised Share Capital from ₹ 75 crore to ₹ 100 crore and consequent amendment in Capital Clause of Memorandum of Association of the Company.

Details relating to the voting pattern are as follows :

Resolutions	No. of Valid Ballot Forms Received			Votes Cast		
	For	Against	Total	For	Against	Total
Resolution - 1	18	4	22	42,88,674 (99.99%)	6 (0.01%)	42,88,680 (100%)

The Company had appointed M/s. Rakesh Agrawal & Co., Practicing Company Secretaries as Scrutinizer for the purpose of the Postal Ballot exercise.

ii) On 28th March, 2013 the following resolution was passed unanimously through Postal Ballot:-

- Special Resolution for Issue of Redeemable Preference Shares to Promoters or other investors.

Details relating to the voting pattern are as follows :

Resolutions	No. of Valid Ballot Forms Received			Votes Cast		
	For	Against	Total	For	Against	Total
Resolution-1	17	0	17	50,88,881 (100%)	0 (0.00%)	50,88,881 (100%)

Corporate Governance Report

The Company had appointed M/s. Rakesh Agrawal & Co., Practicing Company Secretaries as Scrutinizer for the purpose of the Postal Ballot exercise.

The Company has followed the procedure as prescribed under Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 for conducting the Postal Ballot. At the ensuing Annual General Meeting there is no resolution proposed to be passed by Postal Ballot.

d) Extraordinary General Meeting :

No Extraordinary General Meeting of the members was held during the financial year 2012-13.

5. OTHER DISCLOSURES

- a) The particulars of transactions between the Company and its related parties as per Accounting Standard (AS-18) are disclosed in Notes to the Financial Statements (Note No. 31) in the Annual Report 2012-13. There are no materially significant related party transactions that may have had potential conflict of interest with the Company at large.
- b) The Register of Contracts is placed at the meetings of the Board of Directors as per the requirements of the Companies Act, 1956 and all the related party transactions that has been entered into by the Company during the year under review, requiring entry in the Register of Contracts maintained as per provisions of Section 301 of the Companies Act, 1956 have been duly entered therein.
- c) The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that as prescribed in an Accounting Standard.
- d) The Company has established a robust risk assessment and minimisation procedure and the same is reviewed regularly by the Audit Committee and the Board of Directors of the Company.
- e) During the financial year 2012-13, 1,63,50,000 7%, Non-Cumulative Redeemable Preference Shares have been issued to other investors. The relevant details have already been provided in the Director's Report.
- f) The relevant disclosures on the remuneration of Directors have been included under "Remuneration Policy" in this report.
- g) Management Discussion and Analysis Report forms a part of the Director's Report.
- h) The Company has duly complied with the requirements of the regulatory authorities on Capital Market. No penalties, strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- i) The Company has fully complied with the mandatory requirements of the Listing Agreement and with regard to Non-Mandatory requirements, the Company has set up a Remuneration Committee and a Finance Committee.
- j) Though the Company does not have a Whistle Blower Policy at present, the Company promotes ethical behavior in all its business activities. All employees are free to approach the Audit Committee to raise their concerns relating to fraud, malpractice or any other activity or event, which is against the Company's interest.
- k) The Company does not have any subsidiary.
- l) Details of Directors seeking appointment /re-appointment at the ensuing Annual General Meeting as required under Clause 49 of the Listing Agreement is annexed to the Notice convening the Annual General Meeting.



Corporate Governance Report

6. MEANS OF COMMUNICATION

(a) Quarterly Results	
(b) (i) Which newspapers normally published in :	
English	Business Standard (All editions)
Bengali	Arthik Lipi; Kalantar
(ii) Any website displayed :	www.kicmetaliks.com, www.bseindia.com
(c) Whether website also displays official news releases	Yes
(d) Whether presentations made to institutional investors or analysts	No

7. GENERAL SHAREHOLDER INFORMATION

(a) AGM : Date	27th September, 2013 (Friday)
Time	10:00 A.M.
Venue	"Rotary Sadan", 94/2, Chowringee Road, Kolkata - 700 020
(b) Financial Calendar (tentative and subject to change)	
Financial reporting for the quarter ending 30th June, 2013	By End July, 2013
Financial reporting for the quarter ending 30th September, 2013	By End October, 2013
Financial reporting for the quarter ending 31st December, 2013	By End January, 2014
Financial reporting for the year ending 31st March, 2014	By End May, 2014
(c) Book Closure period	From 21st September, 2013 to 27th September, 2013 (both days inclusive)
(d) Dividend Payment Date	The Directors have not recommended any dividend for the financial year 2012 - 2013.
(e) Listing on Stock Exchange(s)	
The Company's securities are currently listed at "The Bombay Stock Exchange Limited" (BSE)	Scrip Code - 513693 Scrip ID - KAJARIR
(f) Listing & Custodian Fees for the financial year 2012-13	
The Company has paid the Listing Fees for the financial year 2012-2013 and 2013-14 to the above Stock Exchange. The Company has also paid custodian fees for the year 2012-13 to National Securities Depository Limited and Central Depository Services (India) Limited	ISIN No. : INE 434C01019 Depository Connectivity : NSDL and CDSL.

Corporate Governance Report

(g) Market Price Data :

High/low (based on the closing prices) and number of shares traded during each month in the financial year 2012-13 on the Bombay Stock Exchange

Month	High Price (₹)	Low Price (₹)	Close Price (₹)	No. of Shares	BSE Sensex Close
April 2012	164.00	120.00	141.25	3,364	17318.81
May 2012	147.00	122.00	136.90	1,589	16218.53
June 2012	139.90	125.00	125.10	10,662	17429.98
July 2012	135.95	117.00	127.00	5,773	17236.18
August 2012	134.00	105.00	106.70	955	17429.56
September 2012	124.00	105.40	121.70	1,482	18762.74
October 2012	122.00	94.10	106.75	49,751	18505.38
November 2012	117.00	97.25	103.00	2,837	19339.90
December 2012	113.00	92.00	102.05	4,118	19426.71
January 2013	112.40	91.30	97.25	14,420	19894.98
February 2013	100.50	84.10	88.20	2,224	18861.54
March 2013	84.30	60.15	63.15	911	18835.77

(h) Performance of the Company in comparison with Broad based indices :

Comparison of K I C Metaliks Limited Stock price with broad based indices--BSE Sensex

Particulars	K I C Metaliks stock price v/s BSE Sensex	
	K I C Metaliks Ltd. Share Price	BSE Sensex
On 1st April , 2012	143.05	17478.15
On 31st March, 2013	63.15	18835.77
% change	(-)55.85	7.77

(i) Registrar and Transfer Agents

M/s. S. K. Infosolutions Pvt. Ltd.

34/1A, Sudhir Chatterjee Street

Kolkata - 700 006

Phone : 91-33-22194815/6797

(j) Share Transfer System

The share transfers/transmission/splits and/or issue of duplicate share certificates are processed on behalf of the Company by the Registrar and Transfer Agents, M/s. S. K. Infosolutions Pvt. Ltd. and is then placed before the Share Transfer Committee to approve transfers. The committee addresses all the requests fortnightly.



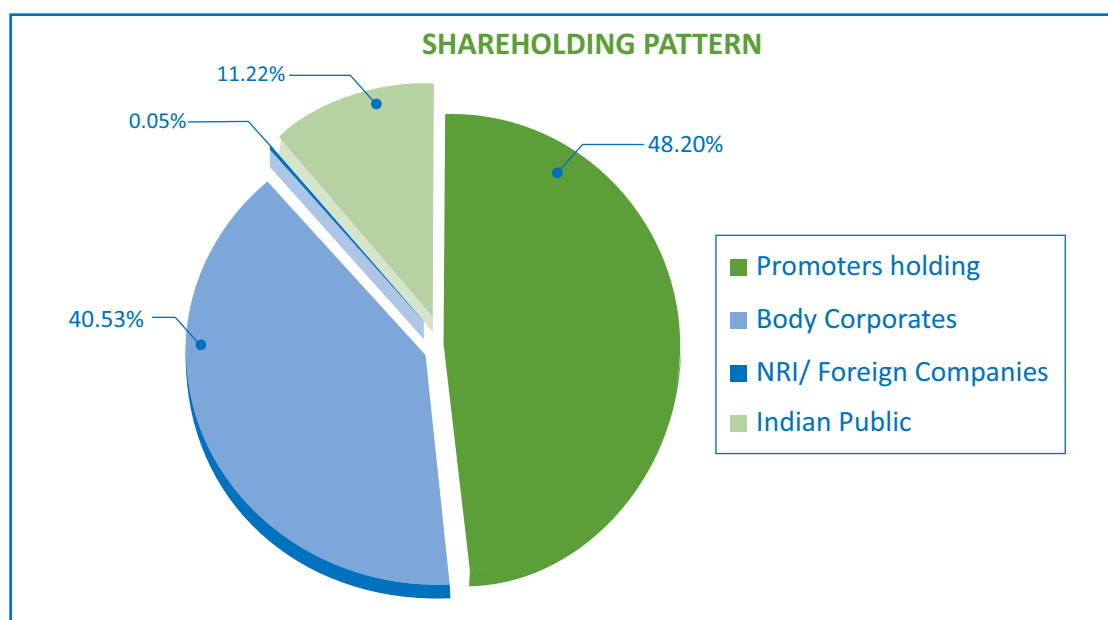
Corporate Governance Report

(k) Distribution of Shareholding as on 31st March, 2013 :

Range or Equity Shares	No. of Holders	% of Holders	No. of Shares	% of Capital
Upto 500	1871	88.97	2,33,651	3.29
501 - 1000	97	4.61	78,036	1.10
1001 - 2000	40	1.90	61,131	0.86
2001 - 3000	15	0.71	40,986	0.58
3001 - 4000	10	0.47	37,677	0.53
4001 - 5000	9	0.43	43,225	0.61
5001 - 10000	18	0.86	1,32,019	1.86
10001 -50000	29	1.38	6,33,225	8.92
50001-100000	5	0.24	3,67,207	5.17
100001 and Above	9	0.43	54,72,043	77.08
Total	2,103	100.00	70,99,200	100.00

(l) Category wise Shareholding as on 31st March, 2013 :

Name of the Shareholders	No. of Shares Held	% Holding
Promoters Holding	34,21,712	48.20
Non-Promoters Holding		
- Financial Institutions	-	0.00
- Bodies Corporate	28,77,144	40.53
- NRI/Foreign Company	3,721	0.05
Indian Public	7,96,623	11.22
Total	70,99,200	100



Corporate Governance Report

(m) Dematerialisation of shares and liquidity as on 31st March, 2013 :

Particulars of Shares	Equity Shares of ₹ 10/- each	
	Number	% of Total
Dematerialised Form		
a) NSDL	52,10,716	73.40
b) CDSL	17,79,428	25.06
Sub Total	69,90,144	98.46
Physical Form	1,09,056	1.54
Total	70,99,200	100.00

The Equity Shares of the Company are compulsorily traded in dematerialised form on Bombay Stock Exchange Limited; hence the shares enjoy enough liquidity in the market.

(n) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely equity

Nil

(o) Plant Locations

Pig Iron and Cement Plant

Raturia, Angadpur, Durgapur - 713 215

West Bengal

Phone : +91-9874943342

(p) Address for Correspondence

Registered Office :

"Sir RNM House",

3B, Lal Bazar Street

4th Floor, Room No.2

Kolkata - 700 001

Phone : +91-33-30688681/30688683

Fax : +91-33-40019636

Email : admin@kicmetaliks.com

For and on behalf of the Board of Directors

Place : Kolkata

Dated : The 30th day of May, 2013

R. S. Jalan

Chairman and Managing Director



Auditors' Certification

Auditors' Certificate on compliance of Corporate Governance as stipulated in clause 49 of the Listing Agreement

We have examined the compliance of conditions of Corporate Governance by K I C Metaliks Ltd for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company as entered into with Stock Exchange where the shares of the Company are listed.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India, we state that one investor grievance is pending for a period exceeding one month as at 31st March, 2013 against the Company as per records maintained by the Shareholders/Investor Grievance Committee.

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

For **AGARWAL MAHESHWARI & CO.**

FRN No. 314030E

Chartered Accountants

D. R. Agarwal

Partner

Place : Kolkata

Dated : The 30th day of May, 2013

Membership No. 051484

CEO/CFO Certification

CERTIFICATE UNDER CLAUSE 49(V) OF THE LISTING AGREEMENT WITH STOCK EXCHANGE(S)

We, Mr. Radhey Shyam Jalan, Managing Director and Mr. Mukesh Bengani, Chief Financial Officer, responsible for the finance function, certify that :

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain 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 our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We 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 we 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.

For **K I C METALIKS LIMITED**

For **K I C METALIKS LIMITED**

Place : Kolkata

Radhey Shyam Jalan

Mukesh Bengani

Dated : The 30th day of May, 2013

Chairman and Managing Director

Chief Financial Officer

Independent Auditors' Report

TO THE MEMBERS OF **K I C METALIKS LIMITED**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **K I C Metaliks Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 ("the Act") and are in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the order") as amended issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

Independent Auditors' Report

2. As required by section 227(3) of the Act, we report that :

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956;
- (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a Director in terms of section 274(1)(g) of the Companies Act, 1956.

For **AGARWAL MAHESHWARI & CO.**

FRN No. 314030E

Chartered Accountants

D. R. Agarwal

Partner

Membership No. 051484

Place : Kolkata

Dated : The 30th day of May, 2013

Annexure to the Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. In respect of its fixed assets :
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
 - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - (c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories :
 - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. The Company has neither granted nor taken any loan, secured or unsecured, to or from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the sub-clauses (a), (b), (c), (d), (e), (f) and (g) of clause (iii) are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and for sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956 :
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000 in respect of each party during the year have been made at prices which are reasonable as per information available with the Company.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of Paragraph of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues :
 - (a) According to the records of Company, undisputed statutory dues including Provident Fund, Investor Education and Protection

Annexure to the Independent Auditors' Report

Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date of becoming payable.

- (b) The disputed statutory dues aggregating ₹ 1,27,08,258/- that have been not deposited on the account of disputed matters pending before appropriate authorities are as under :

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Central Excise	CENVAT used	9,27,007	2005	Joint Commissioner
Central Excise Act, 1944	Excise Duty	1,17,81,251	2006	CESTA Tribunal

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund/nidhi/mutual benefit fund/society. Therefore, the provisions of clause (xiii) of the paragraph 4 of the Order are not applicable to the Company.
14. In our opinion the Company is not dealing in or trading in Shares, Securities, Debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institutions.
16. To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion the term loans were used for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issue during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **AGARWAL MAHESHWARI & CO.**

FRN No. 314030E

Chartered Accountants

D. R. Agarwal

Partner

Membership No. 051484

Place : Kolkata

Dated : The 30th day of May, 2013

**Balance Sheet** as at 31st March, 2013

(₹ in Lakhs)

	Note No.	As at 31.03.2013	As at 31.03.2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	4,769.92	3,134.92
Reserves and Surplus	3	4,058.27	3,837.14
		8,828.19	6,972.06
Non-Current Liabilities			
Long-Term Borrowings	4	4,331.18	5,439.26
Deferred Tax Liabilities (Net)	5	734.08	579.09
Other Long-Term Liabilities	6	–	1,068.67
Long-Term Provisions	7	37.34	32.21
		5,102.60	7,119.23
Current Liabilities			
Short-Term Borrowings	8	1,685.04	3,393.93
Trade Payables	9	12,496.24	11,066.85
Other Current Liabilities	10	2,698.39	2,019.54
Short-Term Provisions	11	110.61	500.49
		16,990.28	16,980.81
TOTAL		30,921.07	31,072.10
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	12,369.06	13,593.95
Intangible Assets	12	93.71	117.14
Capital Work-in-Progress		190.38	14.80
		12,653.15	13,725.89
Current Assets			
Inventories	13	13,719.60	11,926.08
Trade Receivables	14	1,394.59	2,793.06
Cash and Cash Equivalents	15	407.21	599.72
Short-Term Loans and Advances	16	288.23	475.08
Other Current Assets	17	2,458.29	1,552.27
		18,267.92	17,346.21
TOTAL		30,921.07	31,072.10
Significant Accounting Policies	1		
The annexed notes are an integral part of these financial statements.			

In term of our report of even date attached

For **AGARWAL MAHESWARI & CO.**

Firm Registration No. 314030E

Chartered Accountants

D. R. Agarwal

Partner

Membership No. 051484

Place : Kolkata

Dated : The 30th day of May, 2013

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

Ruchika Dhanuka
Company Secretary**S. K. Singhal**
Director

Statement of Profit & Loss for the year ended 31st March, 2013

(₹ in Lakhs)

	Note No.	Year Ended 31.03.2013	Year Ended 31.03.2012
REVENUE			
Revenue from Operations (Net)	18	48,079.58	34,252.81
Other Income	19	1,981.99	600.82
Total Revenue		50,061.57	34,853.63
EXPENSES			
Cost of Materials Consumed	20	15,201.63	12,449.89
Purchase of Stock-in-Trade	21	28,554.93	16,452.45
Changes in Inventories of Finished Goods and Stock-in-Trade	22	152.60	2,322.06
Employee Benefits Expense	23	930.40	561.24
Finance Costs	24	1,652.17	373.23
Depreciation and Amortization Expense		978.50	420.52
Other Expenses	25	1,875.77	1,800.87
		49,346.00	34,380.26
Less : Captive Consumption of Cement		–	20.13
Total Expenses		49,346.00	34,360.13
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		715.57	493.50
Exceptional Items	26	300.80	0.43
PROFIT BEFORE TAX		414.77	493.07
Tax Expense			
(1) Current Tax		121.65	99.94
[Including ₹ 38.43 Lakhs (₹ 1.29 Lakhs) for earlier years]			
Less : MAT Credit Entitlement		82.99	98.65
Net Current Tax		38.66	1.29
(2) Deferred Tax		154.98	164.90
Total Tax Expenses		193.64	166.19
PROFIT AFTER TAX FOR THE YEAR		221.13	326.88
Earnings per Equity Share in (₹)			
Basic and Diluted (Refer Note 34)		3.11	4.60
The annexed notes are an integral part of these financial statements.			

In term of our report of even date attached

For **AGARWAL MAHESWARI & CO.**

Firm Registration No. 314030E

Chartered Accountants

D. R. Agarwal

Partner

Membership No. 051484

Place : Kolkata

Dated : The 30th day of May, 2013

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

Ruchika Dhanuka
Company Secretary**S. K. Singhal**
Director

Cash Flow Statement for the year ended 31st March, 2013

(₹ in Lakhs)

	Year Ended 31.03.2013	Year Ended 31.03.2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxes and Exceptional items	715.57	493.50
Adjustments for :		
Depreciation and Amortization	978.50	420.52
Interest Income	(265.13)	(171.49)
Finance Costs	1,652.17	373.23
	2,365.54	622.26
Operating Profit before Working Capital Changes	3,081.11	1,115.76
Adjustments for :		
(Increase)/Decrease in Inventories	(1,793.52)	(3,239.47)
(Increase)/Decrease in Trade Receivables	1,398.47	1,138.47
(Increase)/Decrease in Other Current Assets	(906.02)	167.68
(Increase)/Decrease in Long-Term Loans & Advances	–	52.24
(Increase)/Decrease in Short-Term Loans & Advances	186.85	293.12
Increase/(Decrease) in Trade Payables	1,429.39	10,169.03
Increase/(Decrease) in Long-Term Provisions	5.13	11.32
Increase/(Decrease) in Other Long-Term Liabilities	(1,068.67)	811.83
Increase/(Decrease) in Other Current Liabilities	678.85	(184.90)
Increase/(Decrease) in Short-Term Provisions	(389.88)	47.36
	(459.40)	9,266.68
Cash generated from Operations	2,621.71	10,382.44
Direct Taxes (Net)	(193.64)	(166.19)
Net Cash (used in)/from Operating Activities	2,428.07	10,216.25
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets & Capital Work-in-Progress	(568.42)	(2,009.25)
Interest Received	265.13	171.49
Cash flow from sale of Fixed Assets	361.86	1.29
Net Cash (used in)/from Investing Activities	58.57	(1,836.47)

Cash Flow Statement for the year ended 31st March, 2013

(₹ in Lakhs)

	Year Ended 31.03.2013	Year Ended 31.03.2012
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Share Capital Including Premiums	1,635.00	1,170.00
Proceeds of Share Application	–	(669.00)
Increase/(Decrease) in Working Capital	(11.74)	1,094.27
Proceeds from Long-Term Borrowings	88.42	4,472.80
Repayment of Long-Term Borrowings	(1,196.50)	(2,147.60)
Proceeds from Short-Term Borrowings	–	–
Repayment of Short-Term Borrowings	(1,697.15)	(11,709.96)
Increase in Deferred Tax Liability (Net)	154.99	164.90
Finance Costs	(1,652.17)	(373.23)
Net Cash (used in)/from Financing Activities	(2,679.15)	(7,997.82)
Net increase/(Decrease) in Cash & Cash Equivalents	(192.51)	381.96
Cash and Cash Equivalents as at the beginning of the year	599.72	217.76
Cash and Cash Equivalents as at the end of the year	407.21	599.72

NOTES :

- (i) The above Cash Flow Statement has been Prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on "Cash Flow Statement" notified in the Companies (Accounting Standard) Rules, 2006.
- (ii) Previous Year figures have been regrouped / reclassified, wherever considered necessary.

In term of our report of even date attached

For **AGARWAL MAHESWARI & CO.**

Firm Registration No. 314030E

Chartered Accountants

D. R. Agarwal

Partner

Membership No. 051484

Place : Kolkata

Dated : The 30th day of May, 2013

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

Ruchika Dhanuka

Company Secretary

S. K. Singhal

Director

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of K I C Metaliks Ltd. for the year ended 31st March, 2013. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 with the Stock Exchanges and is based on and in agreement with the corresponding Statement of Profit & Loss and Balance Sheet of the Company covered by our report of 30th May, 2013 to the members of the Company.

For **AGARWAL MAHESWARI & CO.**

Firm Registration No. 314030E

Chartered Accountants

D. R. Agarwal

Partner

Place : Kolkata

Dated : The 30th day of May, 2013

Membership No. 051484

Notes to the Financial Statements as at and for the year ended 31st March, 2013

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/ materialized.

b) Fixed Assets and Depreciation/Amortisation

i) Fixed assets are stated at cost less CENVAT Credit on specific Fixed Assets and subsequent improvements thereto including non-cenvatable taxes, duties, freight and other incidental expenses related to acquisition and installation are added to the cost of fixed assets.

ii) Depreciation on fixed assets has been provided on straight line method at rates which are in conformity with the requirements of Schedule XIV of the Companies Act, 1956. Provision for depreciation on Blast Furnace Plant as a whole has been computed at the rates prescribed for Continuous Process Plant as per Schedule XIV of the Companies Act, 1956. Leasehold Assets are amortized over the period of lease.

c) Capital Work-in-Progress

Cost of the Fixed Assets that are not yet ready for their intended use at the balance sheet date together with all related expenditures are shown under capital Work in Progress.

d) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Sales are recognized on transfer of significant risk and rewards of ownership which generally coincide with the dispatch of the goods. Sales are stated at net of Sales Tax, VAT, Trade Discount, Rebates but include Excise Duty.

e) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the weighted average basis and where applicable, includes the cost of material (net of available CENVAT), labours and factory overheads. Finished products also include Excise Duty on product manufactured.

f) Foreign Currency Transaction

i) Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

ii) Conversion - Foreign Currency monetary items are reported using the closing rate. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate on the date of transaction.

iii) Exchange difference - Exchange difference arising on the settlement or conversion of monetary current assets and liabilities are recognized as income or as expenses in the year in which they arise.

Notes to the Financial Statements as at and for the year ended 31st March, 2013

g) Borrowing Cost

Borrowing Costs incurred in relation to the acquisition, construction of assets are capitalized as the part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged as an expense in the year in which these are incurred.

h) Taxation

Provision for tax is made for both current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred Tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods are recognized using the tax rates and tax laws that have been enacted or substantively enacted.

i) Prior Period Adjustments

Income and expenditure pertaining to prior period have been accounted under respective heads of Statement of Profit & Loss. However, net effect of such amount, where material is disclosed separately in Notes on Accounts.

j) Impairment of Assets

An asset is considered as impaired in accordance with Accounting Standard -28 on Impairment of Assets, when at Balance Sheet date there are indications of impairment and the carrying amount exceeds its recoverable amount the reduction is recognized as an impairment loss in the Statement Profit & Loss.

k) Employee Benefits

- i) Employee benefits of short term nature are recognized as expense as and when it accrues.
- ii) Employee benefits of long term nature are recognized as expenses based on actuarial valuation.
- iii) Post employment benefits in the nature of Defined Contribution Plans are recognized as expense as and when it accrues and that in the nature of Defined Benefit Plans are recognized as expenses based on actuarial valuation.
- iv) Actuarial gains and losses are recognized immediately in the Statement of Profit & Loss as income and expense.

l) Earning Per Share

The Company reports Earning Per Share (EPS) in accordance with Accounting Standard 20. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti dilutive.

m) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

n) Treatment of Contingent Liabilities

Contingent liabilities if any are disclosed by way of Notes.



Notes to the Financial Statements as at and for the year ended 31st March, 2013

(₹ in Lakhs)

	As at 31.03.2013		As at 31.03.2012	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
2. SHARE CAPITAL				
a) Authorised				
Equity Shares of ₹ 10 each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
Preference Shares of ₹ 10 each	7,50,00,000	7,500.00	2,50,00,000	2,500.00
Total		10,000.00		5,000.00
b) Issued, Subscribed and Fully Paid Up				
Equity Shares of ₹ 10 each fully paid up				
Balance at the beginning of the year	70,99,200	709.92	70,99,200	709.92
Add : Addition during the year	–	–	–	–
Balance at the end of the year 'A'	70,99,200	709.92	70,99,200	709.92
7% Redeemable Non-Cumulative Preference Shares of ₹ 10 each fully paid up.				
Balance at the beginning of the year	2,42,50,000	2,425.00	1,45,50,000	1,455.00
Add : Addition during the year	1,63,50,000	1,635.00	97,00,000	970.00
Balance at the end of the year 'B'	4,06,00,000	4,060.00	2,42,50,000	2,425.00
Total (A+B)	4,76,99,200	4,769.92	3,13,49,200	3,134.92

c) List of Shareholder holding more than 5 percent Shares in the Company :

Name of shareholder	Number of Shares held	% of Shares held	Number of Shares held	% of Shares held
Equity Shares				
i) Karni Syntex Pvt. Ltd.	34,21,712	48.20	34,21,712	48.20
ii) Flamingo Overseas Pvt. Ltd.	6,10,000	8.59	6,10,000	8.59
7% Redeemable Non-Cumulative Preference Shares				
i) Shivsai Tieup Pvt. Ltd.	66,50,000	16.38	66,50,000	27.42
ii) Stardox Vinimoy Pvt. Ltd.	30,70,000	7.56	30,70,000	12.66
iii) Ushita Trading & Agencies Pvt. Ltd.	25,30,000	6.23	25,30,000	10.43
iv) Super Dealtrade Pvt. Ltd.	24,00,000	5.91	–	–
v) Divya Electronics Pvt. Ltd.	29,00,000	7.14	19,00,000	7.84
vi) Potential Electricals & Electronics Pvt. Ltd.	29,50,000	7.27	15,50,000	6.39
vii) Hariom Suppliers Pvt. Ltd.	–	–	14,00,000	5.77

Rights, Preferences and restrictions attached to Shares

- a) The Equity Shares of the Company have par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. All these Equity Shares have same right with respect to payment of dividend, repayment of capital and voting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of preferential amounts, in proportion to their shareholding.

Notes to the Financial Statements as at and for the year ended 31st March, 2013

- b) The Company has 7% Redeemable Non-Cumulative Preference Shares having a nominal value of ₹ 10 per share. The Preference Shareholders shall have the right to vote on any resolution of the Company directly affecting their rights. The Preference Shares would be redeemable within nineteenth year (revised from earlier twelfth year) from the date of allotment however, it may be redeemed at any time after five years from the date of allotment at the option of the company, subject to approval from statutory bodies and financial institutions, if any. In the case of liquidation, the Preference shareholder will be preferred over the Equity shareholders for the distribution of remaining assets of the Company.

(₹ in Lakhs)

	As at 31.03.2013	As at 31.03.2012
3. RESERVES AND SURPLUS		
Capital Redemption Reserve		
Balance at the beginning of the year	300.00	300.00
Add : Addition during the year	—	—
Balance at the end of the year 'A'	300.00	300.00
Securities Premium Reserve		
Balance at the beginning of the year	1,973.88	1,773.88
Add : Addition during the year	—	200.00
Balance at the end of the year 'B'	1,973.88	1,973.88
Surplus in Statement of Profit & Loss		
Balance at the beginning of the year	1,563.26	1,236.38
Add : Profit after Tax for the year	221.13	326.88
Balance at the end of the year 'C'	1,784.39	1,563.26
Total (A+B+C)	4,058.27	3,837.14
4. LONG-TERM BORROWINGS		
Term Loans		
From Banks (Secured)	3,300.00	4,472.80
From Others (Unsecured)	1,024.19	935.77
Deferred Payment Liabilities (Secured)	6.99	30.69
	4,331.18	5,439.26

The Term loan from bank are repayable in 20 equal quarterly installments of ₹ 275.00 Lakhs each commencing from June 2012. The rate of interest on Term loan from Banks varies from 14.40% to 14.90% and secured by way of first charge on entire fixed assets of the Company and second charge by way of hypothecation on the entire stocks of inventory, receivables, bills and other chargeable current assets of the Company (both present and future) and corporate guarantee of Promoter Company and personal guarantee of Promoter Director. Deferred payment liability are secured by way of hypothecation of respective assets, acquired on deferred payment credit basis.

**Notes to the Financial Statements** as at and for the year ended 31st March, 2013

(₹ in Lakhs)

	As at 31.03.2013	As at 31.03.2012
5. DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Difference between Book and Tax Depreciation	1,178.26	781.60
Deferred Tax Assets		
Unabsorbed Depreciation & Business Losses as per Income Tax Act	432.07	189.14
Provision for employee benefits	9.84	10.45
Others	2.27	2.92
	444.18	202.51
Deferred Tax Liabilities (Net)	734.08	579.09
6. OTHER LONG-TERM LIABILITIES		
For Capital Assets	—	1,068.67
	—	1,068.67
7. LONG-TERM PROVISIONS		
Provision for Employee Benefits	37.34	32.21
	37.34	32.21
8. SHORT-TERM BORROWINGS		
Loans Repayable on Demand		
Working Capital from Banks (Secured)	1,685.04	1,696.78
Other Loans and Advances	—	1,697.15
	1,685.04	3,393.93
9. TRADE PAYABLES		
Total Outstanding due of Creditors	12,496.24	11,066.85
	12,496.24	11,066.85

The working capital loans are secured by way of first charge by way of hypothecation of current assets of the Company comprising stock of raw materials, stock-in-process, finished goods, stores and book debts, both present and future and second charge on fixed assets of the Company and corporate guarantee of Promoter Company and personal guarantee of Promoter Director.

There are no micro, small and medium class enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2013. The above information regarding micro, small and medium class enterprises has been determined to the extent such parties have been identified on the basis of available information with the Company.

Notes to the Financial Statements as at and for the year ended 31st March, 2013

(₹ in Lakhs)

	As at 31.03.2013	As at 31.03.2012
10. OTHER CURRENT LIABILITIES		
Current Maturities of Term Loan of Banks	1,432.63	1,100.00
Current Maturities of Deferred Payment Liabilities	28.67	33.16
Other Payables		
Statutory Liabilities	459.89	226.60
Advances from Customers	739.03	605.60
Current Account with Scheduled Banks (Due to excess issue of cheques)	–	22.94
Other Payables	38.17	31.24
	2,698.39	2,019.54
11. SHORT-TERM PROVISIONS		
Provision for Excise Duty	27.39	44.17
Provision for Taxation	83.22	456.32
	110.61	500.49

Notes to the Financial Statements as at and for the year ended 31st March, 2013

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 01.04.2012	Additions/ Capitalised during the Year	Deduction/ Adjustment during the Year	Total Cost as at 31.03.2013	Upto 01.04.2012	For the year	Adjustment during the year	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
12. FIXED ASSETS										
I. TANGIBLE ASSETS										
Lease hold Land	187.19	-	-	187.19	46.69	3.74	-	50.43	136.76	140.50
Building & Shed - Factory	1,648.40	-	-	1,648.40	288.60	55.06	-	343.66	1,304.74	1,359.80
Building - Other	27.24	-	-	27.24	2.79	0.44	-	3.23	24.01	24.45
Plant and Equipments	15,096.98	381.42	676.40	14,802.00	3,535.71	839.80	13.97	4,361.54	10,440.46	11,561.27
Furniture and Fixtures	44.58	0.26	-	44.84	39.09	2.83	-	41.92	2.92	5.49
Vehicles	270.23	8.33	0.46	278.10	119.12	30.16	0.22	149.06	129.04	151.11
Office Equipments	27.85	1.77	-	29.62	14.69	1.37	-	16.06	13.56	13.16
Computers	29.45	1.07	-	30.52	27.73	0.08	-	27.81	2.71	1.72
Total	17,331.92	392.85	676.86	17,047.91	4,074.42	933.48	14.19	4,993.71	12,054.20	13,257.50
Assets Given on Lease										
Building & Shed	256.48	-	-	256.48	94.45	8.57	-	103.02	153.46	162.03
Plant and Equipments	246.38	-	-	246.38	71.99	13.01	-	85.00	161.38	174.39
Furniture and Fixtures	0.15	-	-	0.15	0.12	0.01	-	0.13	0.02	0.03
Total Assets given on Lease	503.01	-	-	503.01	166.56	21.59	-	188.15	314.86	336.45
Total Tangible Assets	17,834.93	392.85	676.86	17,550.92	4,240.98	955.07	14.19	5,181.86	12,369.06	13,593.95
PREVIOUS YEAR	8,541.36	9,296.69	3.12	17,834.93	3,821.89	420.49	1.40	4240.98	13,593.95	-
II. INTANGIBLE ASSETS										
Computer Software	5.22	-	-	5.22	0.03	1.04	-	1.07	4.15	5.19
Know-How	111.95	-	-	111.95	-	22.39	-	22.39	89.56	111.95
Total Intangible Assets	117.17	-	-	117.17	0.03	23.43	-	23.46	93.71	117.14
PREVIOUS YEAR	-	117.17	-	117.17	-	0.03	-	0.03	117.14	-
GRAND TOTAL	17,952.10	392.85	676.86	17,668.09	4,241.01	978.50	14.19	5,205.32	12,462.77	13,711.09
PREVIOUS YEAR	8,541.36	9,413.86	3.12	17,952.10	3,821.89	420.52	1.40	4,241.01	13,711.09	-

Notes to the Financial Statements as at and for the year ended 31st March, 2013

(₹ in Lakhs)

	As at 31.03.2013	As at 31.03.2012
13. INVENTORIES		
(As Valued and Certified by the Management, valued at Cost or Net Realisable Value whichever is lower)		
Raw Materials [Included Goods in Transit ₹ 24.39 (Previous Year ₹ 54.82)]	12,611.52	9,938.21
Finished Goods	248.98	401.58
Stock-in-Trade	–	1,252.50
Stores and Spares	859.10	333.79
	13,719.60	11,926.08
14. TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Outstanding for a period exceeding six months from the due date of payment	183.12	92.17
Others	1,211.47	2,700.89
	1,394.59	2,793.06
15. CASH AND CASH EQUIVALENTS		
Balances with Banks		
In Current Account	4.61	7.54
In Fixed Deposits Account	390.57	586.76
(Pledged with Bank as Margin Money for Letter of Credit)		
Cash on Hand	12.03	5.42
	407.21	599.72
16. SHORT-TERM LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Advances to Parties	288.23	475.08
(Recoverable in Cash or in Kind or Value to be Received)	288.23	475.08
17. OTHER CURRENT ASSETS		
Balance with Revenue Authorities	498.49	823.63
Balance with Port Trust	6.78	22.25
Mat Credit Entitlement	677.03	594.05
Security Deposit	116.39	112.34
Others	1,159.60	–
	2,458.29	1,552.27



Notes to the Financial Statements as at and for the year ended 31st March, 2013

(₹ in Lakhs)

	Year ended 31.03.2013	Year ended 31.03.2012
18. REVENUE FROM OPERATIONS		
Sale of Goods	50,340.66	35,593.13
Less : Excise Duty	2,261.08	1,340.32
Revenue from Operations (Net)	48,079.58	34,252.81
Sale of Goods Comprises		
Pig Iron	17,631.24	14,085.88
Portland Slag Cement	42.31	35.25
Coke & Coal	29,910.27	20,715.47
Others	2,756.84	756.53
Total Sale of Goods	50,340.66	35,593.13
19. OTHER INCOME		
Interest Income	265.13	171.49
Commission Received	942.24	388.77
Lease Rental	36.00	36.00
Sundry Liabilities relating to earlier year written back	148.97	4.52
Gain on transaction in commodity exchange	561.19	–
Miscellaneous Receipts	28.46	0.04
	1,981.99	600.82
20. COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	9,938.21	3,907.92
Add : Purchases	16,622.44	17,964.14
Transfer from Traded Goods	1,252.50	516.04
	27,813.15	22,388.10
Less : Closing Stock	12,611.52	9,938.21
	15,201.63	12,449.89
Raw Materials Consumption Comprises		
Iron Ore	5,501.54	4,345.21
Coke	8,903.84	7,613.36
Clinker	15.16	23.67
Others	781.09	467.65
Total Raw Material Consumed	15,201.63	12,449.89

Notes to the Financial Statements as at and for the year ended 31st March, 2013

(₹ in Lakhs)

	Year ended 31.03.2013	Year ended 31.03.2012
21. PURCHASE OF STOCK-IN-TRADE		
Coke & Coal	26,212.94	15,780.06
Others	2,341.99	672.39
	28,554.93	16,452.45
22. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE		
Closing Stock of Finished Goods	248.98	401.58
Traded Goods	–	1,252.50
	248.98	1,654.08
Less : Opening Stock of Finished Goods	401.58	1,185.22
Traded Goods	1,252.50	3,306.96
	1,654.08	4,492.18
Less : Transfer to Raw Material	1,252.50	516.04
	401.58	3,976.14
(Increase)/Decrease in Inventory	152.60	2,322.06
23. EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages including Bonus	847.67	511.63
Contribution to Provident and other Funds	65.84	26.98
Staff Welfare Expenses	16.89	22.63
	930.40	561.24
24. FINANCE COSTS		
Interest Expense	1,652.17	373.23
	1,652.17	373.23

**Notes to the Financial Statements** as at and for the year ended 31st March, 2013

(₹ in Lakhs)

	Year ended 31.03.2013	Year ended 31.03.2012
25. OTHER EXPENSES		
Consumption of Stores and Spare Parts	455.66	253.04
Power and Fuel	811.18	872.97
Rent	11.49	10.15
Repairs to Buildings	–	0.53
Repairs to Machinery	9.20	15.57
Insurance	18.84	6.87
Rates and Taxes, excluding Taxes on Income	10.06	8.92
Carriage Outwards	197.43	347.08
Irrecoverable Debts and Advances written off	0.63	7.77
Payment to Auditor		
For Statutory Audit	2.50	2.00
For Taxation Matters	0.50	0.50
For Other Services	0.23	0.73
Excise Duty and Cess on change in Inventory of Finished Goods (Refer Note 34)	(16.79)	(18.31)
Miscellaneous Expenses	374.84	293.05
	1,875.77	1,800.87
26. EXCEPTIONAL ITEMS		
Loss on Sale/Discard of Fixed Assets	300.80	0.43
	300.80	0.43

During the year, the Company decided to discontinue the operation of its coke oven plant due to its permanent commercial non-viability. The said coke oven plant has been dismantled during the year. The major portion of the disposable asset being in the nature of fire bricks have been sold in pursuance of a contract and a valuation has been arrived at for the remaining unsold items of plant, machinery and other miscellaneous assets. The resultant loss amounting to ₹ 300.74 Lakhs has been charged to Statement of Profit and Loss which is largely due to impairment in value and due to non provision of depreciation amounting to ₹ 224.52 Lakhs in earlier years since 30th September, 2005 of the said coke oven plant. The said treatment is in compliance with Accounting Standard - 28 as issued by the Institute of Chartered Accountants of India.

- 27.** Estimated amount of contracts remaining to be executed (Net of advances) on capital account and not provided for ₹ 800.37 Lakhs (Previous Year ₹ Nil).
- 28.** Contingent Liabilities not provided for in respect of :
- Excise Duty Matters Pending ₹ 127.08 Lakhs (Previous Year ₹ 127.08 Lakhs) Plus Interest & Penalty if any.
 - Jharkhand Entry Tax Matters Pending ₹ 81.75 Lakhs (Previous Year ₹ 81.75 Lakhs).
 - Electricity Matters with The Durgapur Projects Ltd. Pending ₹ 97.94 Lakhs (Previous Year ₹ 97.94 Lakhs).
- 29. Employee Benefits :** Disclosure Pursuant to Accounting Standard - 15 (Revised 2005). The Employee's gratuity scheme is unfunded and the Actuarial Valuation of Gratuity Scheme is prepared as at 31st March, 2013 under revised AS - 15 norms and accordingly ₹ 5.46 Lakhs has been provided in the books in the current financial year.

Notes to the Financial Statements as at and for the year ended 31st March, 2013

(₹ in Lakhs)

	As at 31.03.2013	As at 31.03.2012
ij) The summary of Key Results Data		
Assets/Liabilities		
1. Present Value of obligation	30.33	26.62
2. Fair Value of Plan Assets	NIL	NIL
3. Net Asset/(Liability) recognized in Balance Sheet	(30.33)	(26.62)

	Year ended 31.03.2013	Year ended 31.03.2012
Employer Expense		
1. Current Service Cost	4.58	4.41
2. Total Employer Expense	5.47	(6.64)

	As at 31.03.2013	As at 01.04.2012
ii) Summary of Membership Data		
Number of employee	237	274
Total Monthly Salary in Rupees	13.31	14.45
Average past service	5.39	4.06
Average future service (years)	20.89	23.11
iii) Summary of Financial Assumption Data		
Discount Rate per annum Compound	8.25%	8.50%
Rate of increase in salaries	5.00%	5.00%
Expected average remaining working lives of employees (years)	20.89	23.11

The full results of calculations are set out in disclosure table under revised AS - 15 is reported below :

	(₹ in Lakhs)
Net Asset/ (Liability) recognized in the Balance Sheet - 1st April, 2012	
A. Funded Status	
1. Present value of Defined Benefit Obligation	26.62
2. Fair value of Plan Assets	–
3. Funded status [Surplus/(Deficit)]	(26.62)
4. Effect of Balance Sheet Asset Limit	–
5. Unrecognized Past Service Costs	–
6. Net Asset/(Liability)/ recognized in Balance Sheet	(26.62)



Notes to the Financial Statements as at and for the year ended 31st March, 2013

	(₹ in Lakhs)
Total expense recognized in the Statement of Profit & Loss Year Ended 31st March, 2013	
A. Components of Employer Expense	
1. Current Service Cost	4.58
2. Interest Cost	2.20
3. Expected return of Plan Assets	–
4. Curtailment of Cost/(Credit)	–
5. Settlement Cost/(Credit)	–
6. Amortization of Past Service Cost	–
7. Actuarial Losses/(Gains)	(1.3)
8. Total expense recognized in the Statement of Profit & Loss	5.47
B. Actual Contribution and Benefits Payments for period ended 31st March, 2013	
1. Actual benefit payments	1.76
2. Actual Contributions	1.76
Net Asset/(Liability) recognized in the Balance Sheet - 31st March, 2013	
A. Funded Status	
1. Present value of Defined Benefit Obligation	30.33
2. Fair value of Plan Assets	–
3. Funded status [Surplus/(Deficit)]	(30.33)
4. Effect of Balance Sheet Asset Limit	–
5. Unrecognized Past Service Costs	–
6. Net Asset/(Liability)/recognized in Balance Sheet	(30.33)
i. Net Asset/(Liability) recognized in Balance Sheet at beginning period	(26.62)
ii. Employer expense	5.47
iii. Employer Contribution	1.76
iv. Net Asset/(Liability) recognized in Balance Sheet at end of the period	(30.33)
Reconciliation of Defined Benefit Obligations and Fair Value of Assets	
A. Change in Defined Benefit Obligations	
1. Present value of Defined benefit obligation at beginning of period	26.62
2. Current Service Cost	4.58
3. Interest Cost	2.20
4. Curtailment Cost/(Credit)	–
5. Settlement Cost/(Credit)	–
6. Employee Contribution	–
7. Plan Amendments	–
8. Acquisitions	–
9. Actuarial (Gains)/Losses	(1.30)
10. Benefit Paid	(1.76)
11. Present value of Defined benefit obligation at the end of period	30.33

Notes to the Financial Statements as at and for the year ended 31st March, 2013

	(₹ in Lakhs)
B. Change in Fair Value of Assets	
1. Plan Assets at beginning of period	–
2. Actual return on Plan Assets	–
3. Actual Company Contributions	1.76
4. Employee Contributions	–
5. Benefits Paid	(1.76)
6. Plan Assets at the end of period	–

30. i) Based on the risks and returns associated with the business operations and in terms of Accounting Standard-17, the Company is predominantly engaged in a single reportable segment of Iron and Steel during the year. The risks and returns of manufacturing of pig iron and trading of its raw material are directly associated with Iron and Steel business and hence treated as a single reportable business segment. The other activities for Cement manufacturing is less than 10% of Total Revenue and hence there are no additional disclosures to be made under Accounting Standard-17, other than those already provided in the financial statements.

ii) Geographical Segments

a) The following table shows the distribution of the Company's sales by Geographical Market : (₹ in Lakhs)

	2012-13	2011-12
Revenue		
India	50,340.65	35,593.13
Outside India	–	–
	50,340.65	35,593.13

b) The Company's tangible Fixed Assets are located entirely in India.

31. RELATED PARTY DISCLOSURES

a) List of Related Parties and relationship :

Party	Relationship
1) Key Management Personnel	
A. Mr. Radhey Shyam Jalan	Managing Director
B. Mr. Barun Kumar Singh	Executive Director
2) Related Party	
A. Karni Syntex Pvt. Ltd.	Promoter Company



Notes to the Financial Statements as at and for the year ended 31st March, 2013

b) Transactions during the year.

(₹ in Lakhs)

	2012-13	2011-12
1) With Key Management Personnel		
i) Directors Remuneration	28.49	20.78
2) With Promoter Company		
i) Share Application for Redeemable Non-cumulative Preference Shares received.	—	26.00
ii) Share Application for Redeemable Non-cumulative Preference Shares refunded.	—	85.00

32. During the year the Company has spent a sum of ₹ 263.64 Lakhs towards relining of the Mini Blast furnace which inter-alia includes replacement of the Refractories & few other major component which is quite usual in the manufacturing process of a Pig Iron Plant at a interval of every 5-6 years. Although the relining work does not result in the enhancement of the installed capacity of the Plant but is essential to retain the depleting production capacity of the plant and therefore the same has been treated as Capital expenditure. On the basis of the technical opinion and the past experience, the management has thought it prudent to amortize 95% value of the capital expenditure over a period of 5 years from the date of completion of relining work.

33. The outstanding balances of Contractors, Suppliers, Debtors, Creditors and others are subject to confirmation and reconciliation.

34. As required by Accounting Standard - 20 "Earnings Per Share", necessary figures are furnished below :

	2012-13	2011-12
a) Profit after Taxation (₹ in Lakhs)	221.13	326.88
b) Weighted average No. of Equity Shares	70,99,200	70,99,200
c) Weighted average No. of Equity Shares for diluted EPS	70,99,200	70,99,200
d) Face value of Equity Shares (₹)	10	10
e) EPS (Basic) (₹)	3.11	4.60
f) EPS (Diluted) (₹)	3.11	4.60

35. Excise Duty and cess on Inventory of Finished Goods represent differential excise duty and cess on opening and closing stock of finished goods.

36. PARTICULARS OF IMPORTED AND INDIGENOUS MATERIALS CONSUMED

	2012-13		2011-12	
	(₹ in Lakhs)	%	(₹ in Lakhs)	%
Consumption of Raw Materials				
Imported	6,721.64	44.22	2.17	0.02
Indigenous	8,479.99	55.78	12,447.72	99.98
Total	15,201.63	100.00	12,449.89	100.00
Consumption of Stores & Spares				
Imported	—	—	—	—
Indigenous	455.66	100.00	253.04	100.00
Total	455.66	100.00	253.04	100.00

Notes to the Financial Statements as at and for the year ended 31st March, 2013

37. C.I.F. VALUE OF IMPORT

(₹ in Lakhs)

	2012-13	2011-12
For Raw Material (Including Trading Materials)	31,683.43	700.35
For Capital Assets	—	80.44

38. In the opinion of the 'Board' and to the best of their knowledge and belief, the value of the realization of Current Assets, Loan and Advances, in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
39. Previous year figures have been re-grouped/re-arranged wherever necessary.

In term of our report of even date attached

For **AGARWAL MAHESWARI & CO.**

Firm Registration No. 314030E

Chartered Accountants

D. R. Agarwal

Partner

Membership No. 051484

Place : Kolkata

Dated : The 30th day of May, 2013

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

Ruchika Dhanuka
Company Secretary

S. K. Singhal
Director



K I C METALIKS LIMITED

Regd Office : "SIR RNM HOUSE" 3B, LAL BAZAR STREET, 4TH FLOOR, ROOM NO. 2, KOLKATA - 700 001

Dear Shareholder(s),
Sub: Green Initiative in Corporate Governance

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circulars on April 21, 2011 and April 29, 2011 inter-alia stating that a company would have complied with Section 53 of the Companies Act, 1956, if the service of document has been made through electronic mode.

To take part in the Green Initiative, we propose to send documents such as Notices, Annual Report etc. through electronic mode to the e-mail addresses which are made available to us by the Depositories and also which are registered and/or otherwise available with the Company's Registrar and Share Transfer Agents, S. K. Infosolutions Pvt. Ltd. from time to time. The full text of all documents and communications will also be available on our website, www.kicmetaliks.com

We earnestly request you to register your e-mail id with your Depository Participant, or where you desire to have the above documents at any alternative e-mail address, then you may accordingly register/update your email-id with your Depository Participant (for shares held in electronic form) or with the Company's Registrar and Share Transfer Agents at skcdilip@gmail.com or with the Company at companysecretary@kicmetaliks.com

Further, in case email address of any member has not been registered then the service of documents, etc. will be effected by other mode of service as provided under Section 53 of the Companies Act, 1956.

We are sure that you would appreciate the "Green Initiative" taken by MCA and your company's desire to participate in such initiatives. It will not only be step to a Greener Earth but it will also be a faster mode of communication and there will be no chance of loss in postal transit.

Please communicate your choice at companysecretary@kicmetaliks.com

Thank you for cooperating with us, as always.

For **K I C Metaliks Limited**

Ruchika Dhanuka
Company Secretary

Dated : The 30th day of May, 2013



K I C METALIKS LIMITED

Regd Office : "SIR RNM HOUSE" 3B, LAL BAZAR STREET, 4TH FLOOR, ROOM NO. 2, KOLKATA - 700 001

ATTENDANCE SLIP

I/We hereby record my/our presence at the 26TH ANNUAL GENERAL MEETING of the Company at "Rotary Sadan (Shripati Singhanian Hall)", 94/2, Chowringhee Road, Kolkata - 700 020 on Friday, the 27th day of September, 2013 at 10 a.m.

Regd. Folio No.	No. of Shares
DP ID No.	
Client ID No.	
Name of the Member :	
Name of the Proxy :	
_____	_____
SIGNATURE(S) OF THE MEMBER(S)	SIGNATURE OF THE PROXY

Note : Please remember to bring this attendance slip with you duly filled and signed and hand it over at the entrance of the Meeting Hall.

Please also bring your copy of the Annual Report to the Meeting.



K I C METALIKS LIMITED

Regd Office : "SIR RNM HOUSE" 3B, LAL BAZAR STREET, 4TH FLOOR, ROOM NO. 2, KOLKATA - 700 001

PROXY FORM

Regd. Folio No.	No. of Shares
DP ID No.	
Client ID No.	

I/We.....
of.....being a member of K I C Metaliks Limited
hereby appoint.....of.....
or failing him/her.....of.....
or failing him/her.....of.....
as my/our proxy to attend and vote for me/us on my/our behalf at the 26TH ANNUAL GENERAL MEETING of the Company to be held at "Rotary Sadan (Shripati Singhanian Hall)", 94/2, Chowringhee Road, Kolkata - 700 020 on Friday, the 27th day of September, 2013 at 10 a.m.

AS WITNESS whereof my/our hand is/are affixed this day of2013
Signed by the said

Affix
Rupee 1/-
Revenue
Stamp

.....

Note : Proxy Form duly completed must reach the Company's Registered Office, "Sir RNM House" 3B, Lal Bazar Street, 4th Floor Room No. 2, Kolkata - 700 001 not less than 48 hours before the time for holding the Meeting.

ENRICHING LIVES...





where vision takes shape...

K I C METALIKS LIMITED

Concept, design and printed by MANJARI ENTERPRISES (print@manjari.net)

www.kicmetaliks.com