

THE K.C.P. LIMITED

CIN: L65991TN1941PLC001128

Registered Office: Ramakrishna Buildings,
2, Dr. P.V. Cherian Crescent, Egmore, Chennai 600 008. INDIA
Phone: +91-44-6677 2600 Fax: +91-446677 2620
Email: corporate@kcp.co.in www.kcp.co.in

Notice of 78th Annual General Meeting

NOTICE IS HEREBY GIVEN that the 78th Annual General Meeting of the company will be held on **Wednesday, 7th August, 2019 at 10.00 am** at the Registered Office of the company at "Ramakrishna Buildings" No. 2, Dr. P.V. Cherian Crescent, Egmore, Chennai-600008, to transact the following business:

ORDINARY BUSINESS

1) Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31st March, 2019 and the Reports of Directors' and Auditors' thereon.

2) Declaration of Dividend

To declare dividend on equity shares for the year ended 31st March, 2019 (Re. 1/- for equity share of Re. 1/- each).

3) Re-appointment of the Director retiring by rotation

To appoint a Director in the place of Dr. V.L. Dutt (DIN:0000143013), Director of the Company who retires by rotation and, being eligible, offers himself for re-appointment and for the said purpose to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT Dr. V.L. Dutt, (DIN : 00143013), Director of the Company, who retires by rotation be and is hereby re-appointed as Director of the Company liable to retire by rotation".

SPECIAL BUSINESS

4) Ratification of the remuneration of the Cost Auditors viz. M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad and M/s. S. Mahadevan & Co, Cost Accountants, Chennai for the financial year ending 31st March, 2020.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the Company hereby ratifies the remuneration of Cost Auditors appointed to conduct the audit of cost records maintained by the Company for the Financial Year 2019-2020."

Sl. No	Name of the Cost Auditor	Product(s)	Audit fees
1.	M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad	Cement	Rs. 600,000/- plus out-of-pocket expenses and applicable taxes
2.	M/s. S. Mahadevan & Co, Cost Accountants, Chennai	Machinery and Mechanical appliances used in Defence, Space and Atomic energy sectors	Rs. 250,000/- plus out-of-pocket expenses and applicable taxes.

5) Re-appointment of Sri. V.H. Ramakrishnan (DIN 00143948) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Sri.V.H.Ramkrishnan (DIN 00143948), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

"FURTHER RESOLVED THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amendment Regulations,

2018”), the approval of the members be and is hereby accorded for re-appointment, the continuation of appointment of Sri.V.H.Ramkrishnan who has attained the age of 75 (seventy five) years as an Independent Non-Executive Director of the Company for 5 consecutive years.”

“**FURTHER RESOLVED THAT** the Board of Directors be and are hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution.”

6) **Re-appointment of Sri. Vijay Sankar (DIN 00007875) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Sri.Vijay Sankar (DIN 00007875), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.”

“**FURTHER RESOLVED THAT** the Board of Directors be and are hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution.”

7) **Re-appointment of Sri. P.S. Kumar (DIN 00267280) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Sri. P.S.Kumar (DIN 00267280), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his

candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.”

“**FURTHER RESOLVED THAT** pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (“Amendment Regulations, 2018”), the approval of the members be and is hereby accorded for re-appointment, the continuation of appointment of Sri. P.S.Kumar who has attained the age of 75 (seventy five) years as an Independent Non-Executive Director of the Company for 5 consecutive years.”

“**FURTHER RESOLVED THAT** the Board of Directors be and are hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution.”

8) **Re-appointment of Sri.M. Narasimhappa (DIN 03319847) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Sri.M.Narasimhappa (DIN 03319847), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.”

“**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolutions.”

9) **Approval of remuneration of Dr.V.L.Dutt, Executive Chairman, Dr.V.L.Indira Dutt, Managing Director and Smt.V.Kavitha Dutt, Joint Managing Director promoters of the company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Sections 196, 197, 198 and other applicable provision of the Companies Act, 2013

and the rules made there under consent of the Members be and is hereby accorded for payment of remuneration to Dr.V.L.Dutt (DIN:00143013), Executive Chairman, Dr.V.L.Indira Dutt(DIN:00139883), Managing Director and Smt.V.Kavitha Dutt(DIN:00139274), Joint Managing Director and promoters of the company at such terms and conditions as approved by Members by way of special resolutions at the time of their respective appointments, notwithstanding that the annual aggregate remuneration payable to them exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act, 2013 in any year during the remaining tenure of their appointments.

FURTHER RESOLVED THAT all the existing terms and conditions of remuneration including salary, perquisites and commission as per special resolutions passed for their respective appointments shall remain unchanged.

FURTHER RESOLVED THAT the approval of shareholders shall be valid only till the expiry of the existing terms of Dr.V.L.Dutt, Executive Chairman, Dr.V.L.Indira Dutt, Managing Director and Smt.V.Kavitha Dutt, Joint Managing Director of the company.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to this resolution."

10) Transactions with Related parties under section 188 of the Companies Act, 2013

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions if any, of the Companies Act, 2013 (the Act) if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company be and is hereby accorded to the Board of Directors of the company to enter into revised contracts and/or agreements with parties as detailed in table forming part of the explanatory statement annexed to the notice with respect to Sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials services or property and for payment of revised lease rents for non-mining lands for the year 2019-2020.

"FURTHER RESOLVED THAT the Board of Directors of the company, be and is hereby authorised to determine the actual sums to be involved in the transaction, to increase the value of the transactions (up to 10% over and above the said amounts) and to finalise the terms and conditions including the period of transactions and all other matters arising out of or incidental to the proposed transactions and generally to do all acts deeds and things that may be

necessary proper, desirable or expedient and to execute all documents, agreements and writings as may be necessary, proper, desirable or expedient to give effect to this resolution".

Notes:

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed.
- 2) A Member entitled to attend and Vote at the Annual General Meeting (AGM) is entitled to appoint a Proxy to attend and vote **On Poll** on His / Her behalf and the Proxy need not be a Member of the Company.

Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.

A Proxy Form is annexed to this Notice. Proxies submitted on behalf of the companies, societies, etc. must be supported by an appropriate resolution / authority, as applicable.

- 3) Members/Proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
- 4) The Annual Report of the company and other documents proposed to be sent through e- mail would also be made available on the Company's website at www.kcp.co.in
- 5) Register of Directors and key managerial personnel and their shareholding maintained under section 170 of the companies Act, 2013 will be available for inspection by the members at the meeting.
- 6) Register of contracts or arrangements in which directors and Key managerial personnel are interested Maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the registered office of the Company.
- 7) Pursuant to the provisions of Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will remain closed from **1st August, 2019 to 7th August, 2019 (both days inclusive)**.
- 8) Pursuant to the provisions of Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No.SH.13 (which will be made available on request) to the Registrar and Share Transfer Agents.
- 9) Members must quote their Folio Number/ Demat Account number and contact details such as email address, contact number etc in all correspondence with the Company/Registrar and Share Transfer Agents.

10) Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically by sending an e-mail with RTA (yuvraj@integratedindia.in) or with the Company (investor@kcp.co.in).

11) E-Voting:

- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (LODR) Regulations, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- (ii) The facility for voting through ballot shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through Ballot.
- (iii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (iv) The Company has engaged the services of National Securities Depository Limited (NSDL) as the Agency to provide e-voting facility.
- (v) The Board of Directors of the Company has appointed Sri. R. Balasubramaniam (FCS: 2397) Company Secretary in practice as Scrutinizer to scrutinise the Ballot and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

(vi) Instructions and other information relating to remote e-voting:

A. In case a member receives an e-mail from NSDL [for members whose e-mail addresses available with the Company / Depository Participant(s)]:

- (i) Open e-mail and open PDF file viz; "The KCP Limited e-Voting. pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: **www.evoting.nsdl.com**
- (iii) Click on Shareholder - Login.
- (iv) Insert user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of e-Voting opens. Click on e-Voting: Active E-voting Cycles.
- (vii) Select "EVEN" of The KCP Limited.
- (viii) Now you are ready for e-Voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "**Vote cast successfully**" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) For the votes to be considered valid, the institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at **balu_comsec@yahoo.com** with a copy marked to **evoting@nsdl.co.in**.
- (xiii) However, if you are already registered with NSDL for e-voting, you can use your existing User ID and password for casting your vote.
- (xiv) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

B. In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not available with the Company / Depository Participant(s)]:

- (i) Initial Password is provided, as follows, at the bottom of the Attendance Slip.

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

- (ii) Please follow the steps above, to cast your vote.
- (iii) The Remote e-voting period commences from 9.00am (IST) on **03/08/2019** and ends on 5pm (IST) on **06/08/2019**.
- (iv) The remote e-voting will not be allowed beyond the aforesaid date and time and the

e-voting module shall be disabled by National Securities Depository Limited (NSDL) upon expiry of aforesaid period.

- (v) The Scrutinizer, after scrutinising the votes cast at the meeting (Ballot) and through remote e-voting, will, not later than two days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company **www.kcp.co.in** and on the website of NSDL <https://www.evoting.nsdl.com>.
- (vi) The results shall simultaneously be communicated to the Stock Exchanges.

- (vii) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **Wednesday, the 7th August 2019**.
- (viii) In case of any query pertaining to e-voting, please visit Help & FAQ's section available at NSDL website <https://www.evoting.nsdl.com>.

12) Payment of dividend through ECS:

We recommend to our valued shareholders to make use of Electronic Clearing Services (ECS) / National Electronic Clearing Services (NECS Scheme) of Reserve Bank of India (RBI) for dividend payment. A shareholder availing this Scheme can receive dividend directly into his bank account and avoid hassles relating to handling of physical warrants besides elimination of risk of loss in postal transit/fraudulent encashment of warrants. In view of the conveniences which ECS/NECS offer, we request you to register the same by sending a duly signed request letter along with a cancelled cheque to our Registered office/ Registrar & Share Transfer

Agents M/s Integrated Registry Management Services Private Limited for shares held in physical form. In case shares are held in electronic form, the same may be registered with your Depository Participant (DP).

- 13) Members are requested to address all correspondences, including dividend matters to the Registrar & Share Transfer Agents, M/s. Integrated Registry Management Services Private Limited, II Floor, "Kences Towers", No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017, Ph No. 44- 28140801-803, Fax No. 044-28142479, email yuvraj@integratedindia.in.
- 14) Shareholders who have not yet en-cashed their dividend warrants for the years 2012-18 may approach the Company for revalidation, issue of duplicate warrants etc quoting the Folio Number/Client ID. Please note that as per section 125 of the Companies Act, 2013 dividend which remains unpaid/unclaimed over a period of 7 years has to be transferred by the company to the Investor Education & protection Fund (IEPF).

Information in respect of such unclaimed dividend when due for transfer to the IEPF is given below:-

Financial Year	Type of Dividend	Dividend Declaration Date (AGM date/BM date for interim)	Due date for remittance to IEPF (7 years)
	Final Dividend	13-Aug-12	13-Aug-19
	70 th Year Special Dividend	13-Aug-12	13-Aug-19
2012-13	First Interim Dividend	17-Sep-12	17-Sep-19
	Second Interim Dividend	25-Oct-12	25-Oct-19
	Final Dividend	8-Aug-13	8-Aug-20
2013-14	Final Dividend	11-Aug-14	11-Aug-21
2014-15	Final Dividend	12-Aug-15	12-Aug-22
2015-16	Interim Dividend	10-Mar-16	10-Mar-23
2016-17	Final Dividend	31-Aug-17	31-Aug-24
2017-18	Final Dividend	30-Jul-18	30-Jul-25

- 15) Pursuant to Section 124(6) of the Companies Act, 2013 the Company has to transfer all shares in respect of which dividend has not been claimed by the shareholders for seven consecutive years or more to Investor Education and Protection Fund (IEPF) and pursuant to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules 2017 ('IEPF Rules') the details of such shares transferred to IEPF authority during the year 2018-19 is provided in Corporate Governance Report.
- 16) Members seeking any information relating to the Accounts may write to the Company at "Ramakrishna Buildings" 2 Dr. P.V. Cherian Crescent, Egmore, Chennai-600008, Ph No.044-66772622, Fax No.044-66772620, email :investor@kcp.co.in, for the attention to Company Secretary at least seven days before the date of the Annual General Meeting.
- 17) All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the registered office of the Company during business hours between 11.00 a.m. and 1.00 p.m. except in holidays up to and including the date of the Annual General Meeting of the Company.

For and on behalf of the Board of Directors

(V.L. DUTT)

Executive Chairman

Place: Chennai

Date: 29th May, 2019

ITEM NO. 4

Ratification of the remuneration of the Cost Auditors:

The Board of Directors of the company, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020 on remuneration as set out in the table below:

Sl.No	Name of the Cost Auditor	Product	Audit fees
1.	M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad	Cement	600,000/- plus out-of pocket expenses and applicable taxes.
2.	M/s. S. Mahadevan & Co, Cost Accountants, Chennai	Engineering	250,000/- plus out-of pocket expenses and applicable taxes.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors

Your Directors recommend the resolution for your approval.

None of the Directors, Key Managerial Persons of the Company and their relatives is/are concerned or interested in the resolution.

ITEM NO. 5, 6,7 and 8

Re-appointment of Independent Directors of the company

Sri. V.H.Ramakrishnan, Sri.Vijay Sankar, Sri.P.S.Kumar and Sri. M. Narasimhappa were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. They hold office as Independent Directors of the Company up to the conclusion /date of the ensuing Annual General Meeting of the Company ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Sri. V.H. Ramakrishnan, Sri.Vijay Sankar, Sri. P.S. Kumar and Sri. M. Narasimhappa as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Sri.V.H. Ramakrishnan, Sri. Vijay Sankar, Sri. P.S. Kumar and Sri.M. Narasimhappa would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, it is proposed to re-appoint them as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") *inter alia* prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Sri.V.H. Ramakrishnan, Sri. Vijay Sankar, Sri.P.S. Kumar and Sri.M. Narasimhappa are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from a member under Section 160 of the Act proposing the candidature of Sri.V.H. Ramakrishnan, Sri. Vijay Sankar, Sri.P.S. Kumar and Sri. M.Narasimhappa for the office of Independent Directors of the Company.

The Company has also received declarations from them that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Sri.V.H. Ramakrishnan, Sri. Vijay Sankar, Sri.P.S. Kumar and Sri.M. Narasimhappa fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations and are independent of the management.

Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 5, 6, 7 and 8 are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letters of appointment of setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Sri.V.H.Ramakrishnan, Sri.Vijay Sankar, Sri.P.S.Kumar and

Sri.M.Narasimhappa are interested in the resolutions set out respectively at Item Nos. 5, 6, 7 and 8 of the Notice with regard to their respective re-appointments.

The relatives of Sri. V.H. Ramakrishnan, Sri.Vijay Sankar, Sri.P.S. Kumar and Sri.M. Narasimhappa may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Sri. V.H. Ramakrishnan, Sri. Vijay Sankar, Sri. P.S. Kumar and Sri. M. Narasimhappa holds NIL shares in the company.

The Board accordingly recommends the Special Resolutions set out at Item Nos 5, 6, 7 and 8 of the Notice for approval by the members.

ITEM NO. 9

Approval of remuneration of Dr.V.L.Dutt, Executive Chairman, Dr.V.L.Indira Dutt, Managing Director and Smt.V.Kavitha Dutt, Joint Managing Director and promoters of the company.

In terms of Regulation 17 (6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations"), the remuneration payable to Executive Directors who are promoters or member of promoter group, shall be subject to the approval of the shareholders by Special Resolution in General Meeting, if, the aggregate annual remuneration payable to such directors exceeds 5% of the net profits of the Company, as calculated under section 198 of the Companies Act, 2013, where there is more than one such director and the approval given by the shareholders shall be valid only till the expiry of the term of such Director

Dr.V.L.Dutt (DIN:00143013), Executive Chairman, Dr.V.L.Indira Dutt(DIN:00139883), Managing Director and Smt.V.Kavitha Dutt(DIN:00139274), Joint Managing Director and promoters of the company are appointed for a term of three years effective

1st July, 2017 and their remuneration was also approved by the Members of the Company by way of special resolutions.

In order to comply with the requirement of Amended Listing Regulations and on recommendation of Board of Directors, approval of Members by way of Special Resolution is sought for paying them remuneration even if the annual aggregate remuneration payable to Dr.V.L. Dutt, Executive Chairman, Dr. V.L. Indira Dutt, Managing Director and Smt.V.Kavitha Dutt, Joint Managing Director and promoters of the company, exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the remaining tenure of their appointment.

The Board of Directors recommends the resolution at Item No. 9 of the Notice for approval of Members by Special Resolution.

Dr. V.L. Dutt, Executive Chairman holds 6005569 shares in the company, Dr.V.L.Indira Dutt, Managing Director holds 3467347 shares in the company and Smt.V.Kavitha Dutt, Joint Managing Director holds 1225000 shares in the company.

Apart from Dr.V.L.Dutt, Executive Chairman, Dr.V.L.Indira Dutt, Managing Director and Smt.V.Kavitha Dutt, Joint Managing Director, who are interested in the resolution none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the this resolution.

ITEM NO. 10

Approval of transactions with Related Parties:

The Company has got the approval of the shareholders in the 74th Annual General Meeting of the company held on 12th August 2015 under Section 188(1) of the Companies Act, 2013 and rules made there under for entering into certain transactions with related parties as detailed in table below from serial number (1) – (13) by way of Ordinary resolution for a period of 5 years;

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

SL. No.	Name of the Relate Party	Nature of relationship	Nature of the transaction	Value of transaction Rs.
1	KCP Vietnam Industries Limited	Subsidiary company	Sales and Services	30 crores
2	Fives Cail KCP Limited	Joint Venture	Supply of products	40 crores
3	KCP Technologies Limited	Associate Company	Services	50 lakhs
4	Fives Cail KCP Limited (Lessee)	Joint Venture	Lease of property	75 lakhs
5	KCP Technologies Limited(Lessee)	Associate Company	Lease of property	1.5 lakhs
6	V Ramakrishna Sons Private Limited (Lessee)	Associate Company	Lease of property	15000
7	Dr. V.L. Indira Dutt (Lessor)	Managing Director (MD), Wife of Dr. V.L. Dutt and Mother of V. Kavitha Dutt	Lease of property	10 lakhs
8	Dr. V.L. Indira Dutt(Lessor)	Managing Director (MD), Wife of Dr. V.L. Dutt and Mother of V. Kavitha Dutt	Lease of Mining lands	75 lakhs
9	Smt. Uma. S. Vallabhaneni(Lessor)	Sister of MD	Lease of Mining lands	85 lakhs
10	Smt. V. Rama Kumari(Lessor)	Sister of MD	Lease of Mining lands	60 lakhs
11	Bala Tripurasundari Ammavaru Trust(Lessor)	MD is Trustee	Lease of Mining lands	80 lakhs
12	Sri. V. Chandrakumar(Lessor)	Brother of MD	Lease of Mining lands	50 lakhs
13	Smt. V. Kavitha Dutt (Lessor)	Joint Managing Director	Lease of Mining lands	10 lakhs

The lease rentals for the transactions in serial numbers (8) to (13) pertaining to lands taken on lease by the Company from the parties related to the management of the company in the year 1972 for 99 years for an extent of Ac.1285.66 Cents of lands in Muktyala and Dondapadu Villages by way of lease deed executed by the company with the Lessors.

Originally Clause 4(i) of the terms of the said lease deed the yearly lease rent is payable to the lessors as follows:

For the Lands where mining license is obtained:

- ❖ 25% of the annual Dead rent payable by the lessee to the government

Or

- ❖ 25% of the royalty per ton payable by the lessee to the government whichever is higher.

For the Lands where mining license is not obtained:

- ❖ Till the lessee get the mining license the lessee shall pay a lease rent of Rs.10 per Acre PA to the lessors.

Now the family members of the Lessor have entered into a family partition deed. They are requesting for payment of revised lease rent on non-mining lands as per the prevailing market rental value in that area which is more than Rs.10,000/- per acre and the lands are very near to Amaravathi the new capital city of Andhra pradesh and there is huge appreciation in value of the lands.

The following members are entitled for revised lease rent on non-mining lands:

SI.No.	Name	Nature of relationship	Extent Ac.Cts
1.	Dr. V.L. Indira Dutt	Managing Director (MD), Wife of Dr. V.L. Dutt and Mother of V. Kavitha Dutt	87.83
2.	Sri. V. Chandra Kumar	Brother of MD	17.98
3.	Smt. Uma S. Vallabhaneni	Sister of MD	90.89
4.	Smt. V. Rama	Brother of MD	119.99
5.	Sri Bala Tripura Sundari Ammavaru Trust	MD is Trustee	4.541
	Total		362.10

Therefore, it is proposed to revise the terms of lease agreements originally entered in year 1972 for remaining lease period by increasing the existing lease rent of Rs.10/- per Acre PA to Rs.5000/- per Acre per annum till the company obtains the mining license for the above said lands of Ac.362.10 cents and after obtaining the mining license 25% of the annual Dead rent payable by the lessee to the government or 25% of the royalty per ton payable by the lessee to the government whichever is higher will be the lease rent.

The amount of lease rent to be payable for Ac.362.10 cents @ Rs.5000/- is about Rs.18,50,000/- only and based on the value of above said transactions provided in the table serial numbers (1) to (13), they are not considered as Material Related Party Transactions under provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended.

The Board of Directors recommends the resolution at Item No. 10 of the Notice for approval of Members as the above transactions are in the best interest of the company, if the company wants to acquire lands for mining, they typically must purchase the land, and then start mining limestone for use in their Cement Units. Often the land contributes significantly to the overall cost of the project and substantially increases the upfront development costs, with these leasehold agreements the company can drastically reduce its overall and upfront project costs in future.

The Directors further seeks the approval of the shareholders to enable them to finalise the terms of the transactions like Value, Duration and for execution of revised lease agreements within the above said limits.

A copy of the draft agreements with said related parties setting out the terms and conditions is/are available for inspection without any fee to members at the Company's registered office during the normal business hours on working days up to the date of the AGM and will be placed on the website of the company www.kcp.co.in.

Except Dr. V.L. Dutt, Executive Chairman, Dr. V.L. Indira Dutt, Managing Director and Smt.V. Kavitha Dutt, Joint Managing Director of the company none of the Directors, Key Managerial Persons of the Company and their relatives is/are concerned or interested in the resolution.

For and on behalf of the Board of Directors

(V.L. DUTT)

Executive Chairman

Place: Chennai

Date: 29th May, 2019

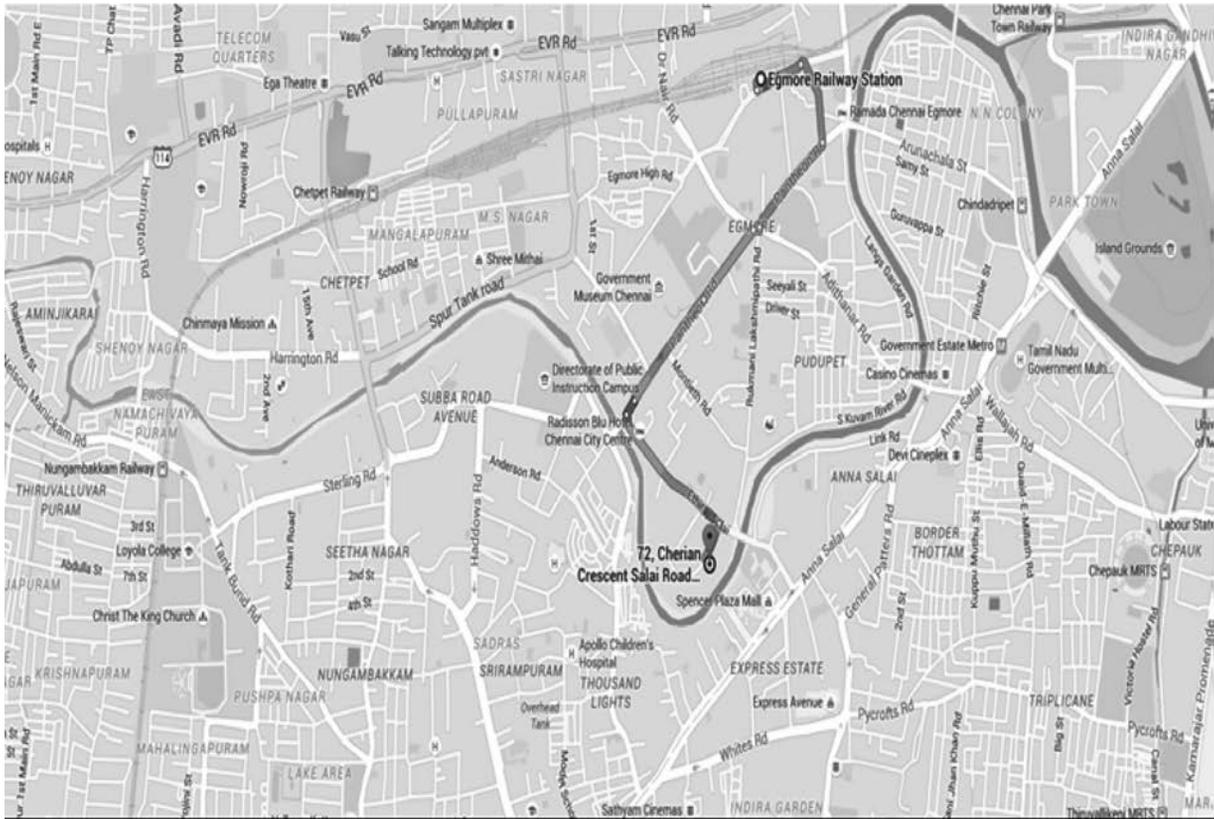
Details of the Director seeking re-appointment / appointment at the Annual General Meeting

(Disclosure pursuant to SEBI (LODR) regulations, 2015 as amended)

Name of Director	DR. V.L. DUTT	Sri.V.H. RAMAKRISHNAN	Sri.VIJAY SANKAR	Sri.P.S. KUMAR	Sri.M. NARASIMHAPPA
Date of Birth	27-12-1937	13-04-1941	26/12/1972	07/04/1944	10/08/1949
Date of first Appointment	December 1969	28/01/2005	07/11/2011	19/09/2013	18/10/2013
Qualification	Graduate B.I.M. (London)	A.C.A., CMA	M.B.A., C.A.,	B.Com, ACA, (England & Wales)	M.A.(Economics)
List of outside Chairmanships / Directorships held	<ol style="list-style-type: none"> 1. Fives-Cail KCP Ltd – Chairman 2. KCP Vietnam Industries - Chairman 	<ol style="list-style-type: none"> 1. Sagar Cement Limited-Director 2. Sagar Cement (R) Limited – Director 3. Canbank Financial Services Limited-Director 	Directorships: <ol style="list-style-type: none"> 1. Oriental Hotels Ltd-Director 2. Transport Corporation of India Ltd-Director. 3. Kaveri Retreats and Resortss Ltd-Director 4. Sanmar Consolidations Ltd-Director 5. SCL Consultancy and Trading Ltd-Director 		<ol style="list-style-type: none"> 1. Amara Raja Power Systems Ltd-Director 2. Vijay Nirman Co. Pvt. Ltd-Director 3. Esavyasa Technologies P. Ltd- Chairman 4. Eesavyasa Agrotech Pvt Ltd – Director
Chairman / Member of the Committee of Directors of other Public Limited Companies in which he / she is a Director	-	Sagar Cements Ltd. Audit Committee – Member Sagar Cement (R) Ltd Audit Committee – Member Canbank Financial Services Limited- Audit Committee – Chairman	Oriental Hotels Ltd Audit Committee – Chairman Transport Corporation of India Ltd Audit Committee – Chairman Kaveri Retreats and Resortss Ltd Audit Committee – Chairman	-	-
Number of Shares held in the Company	6005569	Nil	Nil	Nil	Nil

Note: Pursuant to SEBI (LODR) Regulations, 2015, only two Committees, viz Audit Committee and Shareholder's relationship Committee have been considered.

Route map for the venue of 78th Annual General Meeting



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