

INFORMATION RELATED TO CORPORATE GOVERNANCE

The Company wish to place before the shareholders the following information in order to enhance shareholders' value, keeping in mind the needs and interests of other shareholders such as customers, employees and the society at large.

a) BOARD OF DIRECTORS

The total strength of the Board is 3 namely Sri S.N. Daga Sri Vijay Kumar Bhotika, and Sri D. Singhania. During the year under review, the Board of Directors met nine times. These meetings were held on the following dates:

| | | | |
|------|--------------------------------|-------|--------------------------------|
| i) | 29 th April, 2010 | ii) | 12 th May, 2010 |
| iii) | 29 th June, 2010 | iv) | 30 th July, 2010 |
| v) | 30 th August, 2010 | vi) | 30 th Sept. 2010 |
| vii) | 15 th October, 2010 | viii) | 4 th November, 2010 |
| ix) | 1 st February, 2011 | | |

b) AUDIT COMMITTEE OF DIRECTORS

The Audit Committee comprises of three Directors, namely Mr S N Daga, Mr V K Bhotika and Mr D. Singhania. The Committee regularly meets as and when required.

c) SHARE TRANSFER COMMITTEE

The Company has a Share Transfer Committee comprising of Sri V K Bhotika, Sri S N Daga & Sri D. Singhania, Directors. The Committee meets at regular intervals to approve all transfer, transmissions and take up all the shareholders' complaints.

d) DETAILS OF ANNUAL / EXTRAORDINARY GENERAL MEETINGS

1.1 Location and time, where General Meeting held in last 3 years.

| <u>YEAR</u> | <u>AGM/EGM</u> | <u>LOCATION</u> | <u>DATE</u> | <u>TIME</u> |
|-------------|----------------|--|-------------|-------------|
| 2009-2010 | AGM | 8, Bentinck Street Kolkata - 700001 | 30.09.2010 | 11.00 A.M |
| 2008-2009 | AGM | - do - | 20.08.2009 | 11.00 A.M |
| 2007-2008 | AGM | - do - | 20.08.2008 | 11.00 A.M |

1.2 Whether Special Resolution put through Postal Ballot last year? -NO-

1.3 Are votes proposed to be conducted through Postal Ballot this year? -NO-

- e) Disclosures on materially related party transactions i.e. transactions of the Company of material nature, with promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large. There is no material transaction with related party.
- f) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock-Exchange or SEBI or any other statutory authority, on any matter related to capital markets, during last three years.

- g) **Means of Communication**
- Half-yearly report sent to each household of shareholders.
 - Quarterly results published.
 - Whether it also displays official news releases and presentations made to Institutional investors/analysts.
 - Which Newspaper normally published in
- No
Yes

On request
The Echo of India
& Arthik Lipi
- h) **Shareholders' Information**
- 1) Registered Office
- 8, Bentinck Street, Taher Mansion, Ground Floor,
Kolkata - 700 001
- 2) Stock Exchange Listing
- The Company's shares are listed and traded on the Stock Exchanges at Kolkata.
- 3) Shareholders' Services
- M/s Maheshwari Datamatics Pvt Ltd 6, Mangoe Lane, Kolkata-700 001 has been appointed as RTA in respect of both physical and demat shares of the Company. The Company's shares have been dematerialization with CDSL and ISIN NO.INE 261E01012.
- 4) Nomination Facility
- Individual Shareholders can now avail the facility of nomination. The nominee shall be the person with whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the nomination form. The facility of nomination is not available to non-individual shareholders such as societies, trusts, bodies corporate, kartas of Hindu Undivided Families and holders of Power of Attorney. In case of any assistance, please contact M/s Maheshwari Datamatics Pvt Ltd
- 5) Annual General Meeting
- The 34th Annual General Meeting of the shareholders will be held at 11.00 A.M. on Friday, 16th September, 2011 at 8, Bentinck Street, Ground Floor, Kolkata - 700 001.
- 6) Date of Book Closure
- 13/09/2011 to 16/09/2011 both days inclusive
- 7) Dividend Payment
- Your Directors do not recommend payment of any dividend for the year ended 31st March, 2011 in view of meager profit during the period.
- 8) Statistics of Shareholders : 2010-2011

| <u>Year Ended</u> | <u>No. of Shareholders</u> |
|------------------------------|----------------------------|
| 31 st March, 2009 | 160 |
| 31 st March, 2010 | 160 |
| 31 st March, 2011 | 157 |

9) Distribution of Shareholding as on 31st March, 2011

| RANGE In No. of Shares | RANGE In value of Shares | No. of Share Holders | % to Total Holders | No. of Shares | % of Total Holdings |
|---------------------------|-----------------------------|----------------------------|--------------------------|------------------|---------------------------|
| Up to 500 | Up to 5000 | 116 | 73.89 | 38650 | 16.08 |
| 501 to 1000 | 5010 to 10000 | 12 | 7.64 | 8500 | 3.53 |
| 1001 to 2000 | 10010 to 20000 | NIL | NIL | NIL | NIL |
| 2001 to 3000 | 20010 to 30000 | 3 | 1.91 | 7050 | 2.93 |
| 3001 to 4000 | 30010 to 40000 | 3 | 1.91 | 10850 | 4.51 |
| 4001 to 5000 | 40010 to 50000 | 4 | 2.55 | 19250 | 8.00 |
| 5001 to 10000 | 50010 to 100000 | 15 | 9.55 | 90100 | 37.43 |
| 10001 to above | 100010 to above | 4 | 2.55 | 66300 | 27.54 |
| TOTAL | | 157 | 100.00 | 240700 | 100.00 |

| | | | | |
|----------------------|------------|---------------|---------------|---------------|
| RESIDENT INDIANS | 150 | 95.54 | 158050 | 65.67 |
| DOMESTIC COMPANIES | 4 | 2.55 | 38350 | 15.93 |
| NON RESIDENT INDIANS | NIL | - | NIL | - |
| FOREIGN COMPANIES | NIL | - | NIL | - |
| MUTUAL FUNDS | NIL | - | NIL | - |
| BANKS | NIL | - | NIL | - |
| DIRECTORS/RELATIVES | 3 | 1.91 | 44300 | 18.40 |
| TOTAL | 157 | 100.00 | 240700 | 100.00 |

For and on behalf of the Board,



Directors

Regd. office:

8, Bentinck Street,
Kolkata - 700 001

Date: 22nd June, 2011

Certificate to the members of KCIL Limited on compliance of the conditions of Corporate Governance for the period ended March 31, 2011 under clause 49 of the listing agreements with relevant Stock Exchange.

We have examined the compliance of the conditions of Corporate Governance by KCIL Limited, for 12 months period ended on March 31, 2011, as stipulated in clause 49 of the listing agreements of the said Company with relevant Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned listing agreements.

As required by the Guidance Note on Certification of Corporate Governance issued by the Institute of Company Secretaries of India, we state that no grievances are pending as on March 31, 2011 against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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

Place: Kolkata
Date: 22nd June, 2011



For N K Jain & Co.
Chartered Accountants,
Firm Regn. No. 304078E

A handwritten signature in black ink, appearing to read "N K Jain".

N K Jain
Proprietor
M.No.005976