



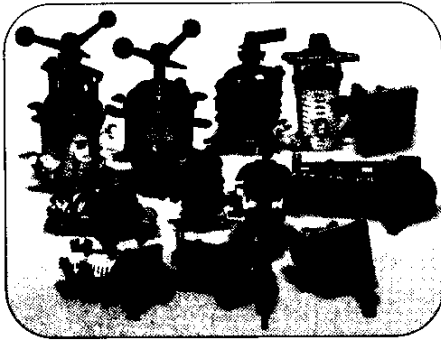
# 69th Annual Report 2011-12

**KAYCEE INDUSTRIES LIMITED**

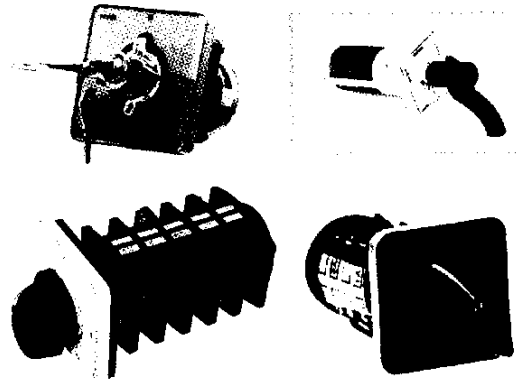
Kaycee for Commitment...

Kaycee for Quality...

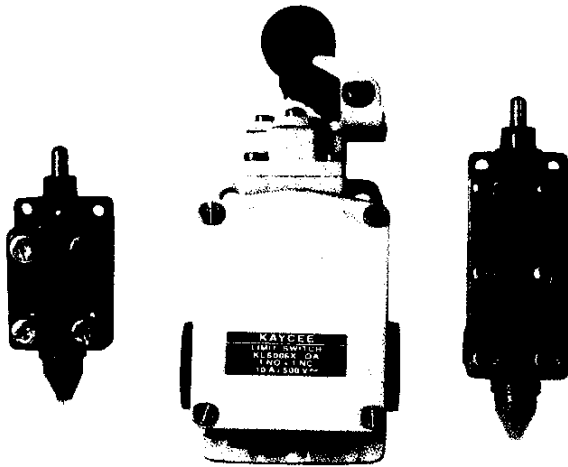
• ROTARY SWITCH •



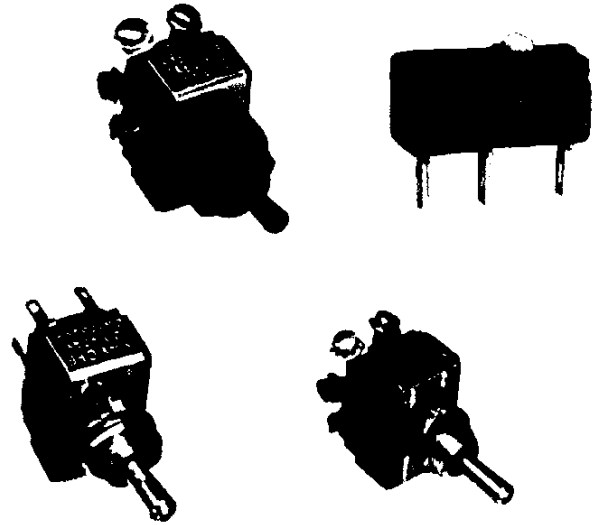
• CAM •



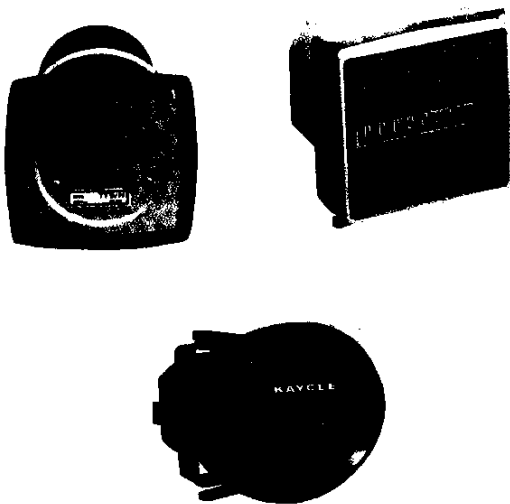
• LIMIT SWITCHES •



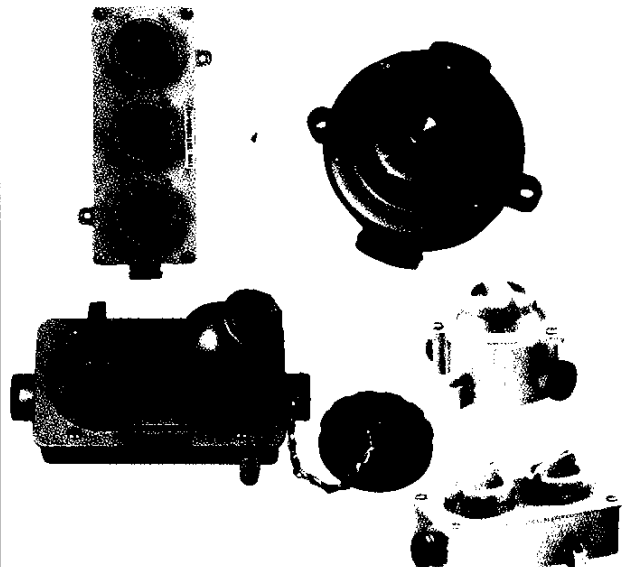
• TOGGLE SWITCHES •



• MINI TIME TOTALISERS •



• ROTARY TOGGLE SWITCHES •





**BOARD OF DIRECTORS**

Aarti R. Grover	Managing Director
Raju Grover	Director
Aaloke Ghosh	Director (till 02.04.2012)
Sona Ramchandani	Director (appointed w.e.f. 20.03.2012)

**BANKERS**

Central Bank of India  
The Saraswat Co-operative Bank Ltd.

**AUDITORS**

**N.D. Kapur & Co.**  
Chartered Accountants  
65, Sonawala building, 2<sup>nd</sup> floor,  
Apollo street, Mumbai – 400 023.

**REGISTERAR AND SHARE TRANSFER AGENT**

Datamatics Financial Services Limited  
Plot No A-16 & 17 part 'B' cross lane, MIDC  
Andheri (E), Mumbai – 400 093.

**REGISTERED OFFICE**

32, Ramjibhai Kamani Marg,  
Ballard Estate, Mumbai – 400 001.

**FACTORY**

70, Lake Road, Bhandup(West),  
Mumbai – 400 078.

**OFFICES**

Bangalore, Kolkata, Delhi, Chennai, Indore, Nashik, Pune

**NOTE :**

69<sup>th</sup> Annual General Meeting will be held at  
Jainam Banquet Hall, Jainam Arcade,  
B.M.T.Compund, 100, L.B.S.Marg, Bhandup (W),  
Mumbai- onFriday 28<sup>th</sup> September, 2012 at 1.30 P.M.



## NOTICE

NOTICE is hereby given that the SIXTY-NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF KAYCEE INDUSTRIES LIMITED will be held at Jainam Banquet Hall, Jainam Arcade, B.M.T. Compound, 100, L.B.S.Marg, Bhandup (W), Mumbai 400 078, on Friday, the 28<sup>th</sup> September, 2012 at 1.30 P.M. to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt Balance Sheet as at 31<sup>st</sup> March, 2012 and the Profit and Loss Account for the year ended on that date together with reports of Directors' and Auditors' thereon.
2. To declare a dividend @ Rs. 10 per share on paid up Equity Shares of the Company
3. To appoint a Director in place of Mrs. Raju Grover, Director who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint Auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

### SPECIAL BUSINESS:

5. **To consider and pass with or without modification the following resolution as an Ordinary Resolution:**

RESOLVED THAT Ms Aarti Grover, who was appointed as an additional director of the Company under Section 260 of the Companies Act, 1956 on 29.09.2011 be and is hereby appointed as a Director of the Company whose office shall not be considered for retirement by rotation pursuant to section 255 of the Companies Act, 1956.

6. **To consider and pass with or without modification the following resolution as an Ordinary Resolution:**

RESOLVED THAT Ms Sona P. Ramchandani, who was appointed as an additional director of the Company under Section 260 of the Companies Act, 1956 be and is hereby appointed as a Director of the Company on 20.03.2012 whose period of office will be liable for retirement by rotation pursuant to section 255 of the Companies Act, 1956.

7. **To consider and pass with or without modification the following resolution as an SPECIAL RESOLUTION :**

"RESOLVED that pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any modification (s) or re-enactment thereof) and subject to the provisions of the Memorandum of Association and Articles of Association of the Company and the Listing Agreement entered into with the Stock Exchanges where the Equity Shares of the Company are listed and in accordance with the existing guidelines, rules and regulations of the Securities and Exchange Board of India ("SEBI") and subject to the approvals, consents,



permissions and/or sanctions, as may be necessary of the appropriate authorities, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/or, modifications, if any as may be prescribed by any one or more or all of them in granting such approvals, consents permissions and/or sanction and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any committee duly constituted by the Board of Directors or any committee which the Board of Directors may hereafter constitute, to exercise one or more of its powers, including the powers conferred by this resolution), consent of the Company be and is hereby accorded and Board is hereby authorised to issue, offer and allot upto 2500 Equity Shares of the Company of face value of Rs.100/- each for cash at price of Rs.3525/- (including premium of Rs.3425/-) per equity shares aggregating to Rs.88,12,500/- on such further terms and conditions as may be finalised by the Board to following persons belonging to Promoter Group.:-

	<b>No. of Equity Shares</b>
<b>Promoters Company</b>	
CMS Computers Limited	2500
<b>Total</b>	

RESOLVED FURTHER that the amount payable on such shares at the time of allotment shall be 100% of the issue price.

RESOLVED FURTHER that the relevant date for the purpose of calculating the issue price of the above mentioned equity share under Securities & Exchange Board of India (SEBI) (ICDR) Regulations, 2009 and amendments thereto.

RESOLVED FURTHER that all the equity shares to be allotted shall rank pari-passu in all respects, including entitlement for dividend, with the existing equity shares of the Company.

RESOLVED FURTHER that the equity shares already held by the proposed allottees (as per details given below) shall be under lock in from the relevant date i.e. 29<sup>th</sup> August, 2012 for a period of six months from the date of allotment of Shares:-

	<b>No. of Equity Shares Already held</b>
<b>Promoters</b>	
CMS Computers Limited	1269

RESOLVED FURTHER that the 2500 Equity Shares being allotted to Promoter group shall be locked-in from the date of allotment for such period as per the provisions of Securities & Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto for Preferential issue.

RESOLVED FURTHER that for the purpose of issue and allotment of the equity shares and listing thereof with the Stock Exchange(s), the Board of Directors be and is hereby authorised



to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particular to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing, allotting and utilising the issue proceeds of the Equity Shares of the Company, at its absolute discretion as deem fit and proper."

8. **To consider and pass with or without modification the following resolution as an SPECIAL RESOLUTION :**

**"RESOLVED THAT** in accordance with the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the existing regulations for Preferential issue contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (hereinafter referred to as "the Regulations") and other applicable guidelines/regulations issued by the Securities and Exchange Board of India (SEBI) and subject to all necessary approvals, consents, permissions and/or sanction of the Government of India and any other statutory or regulatory authorities and other applicable laws and the provisions in the Memorandum and Articles of Association of the Company and the Listing Agreement entered into by the Company with the Stock Exchange where the shares of the Company are listed and subject to such terms and conditions as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall include any Committee constituted for the time being thereof) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to, the consent and approval of the Company be and is hereby accorded to the Board and the Board be and is hereby authorised to offer, issue and allot on a preferential basis upto 20,000 equity shares of the Face Value of Rs. 100/- at a price being not less than the price determined in accordance with the Regulations."

**"RESOLVED FURTHER THAT** equity shares so issued (i) shall rank pari passu in all respects with the existing equity shares of the Company including entitlement to dividend. (ii) The said equity shares shall be listed on the Bombay Stock Exchange Limited."

**"RESOLVED FURTHER THAT** the Board or any Committee thereof be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued, however, not exceeding 20,000 equity shares."

**"RESOLVED FURTHER THAT** the Board or any Committee thereof be and is hereby authorised to determine, vary, modify or alter any of the terms and conditions of the issue and allotment of the equity shares, including reduction of the size of the issue, as it may deem expedient."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board or any Committee be and is hereby authorised on behalf of the Company to take all such actions and



do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient including in relation to the issue or allotment of aforesaid securities and listing thereof with the Stock Exchange as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of the said securities, utilization of the issue proceeds, sign all documents and undertakings as may be required and generally to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board or any Committee in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board

Place: Mumbai

Date: 29<sup>th</sup> August, 2012

Aarti Grover

Managing Director

---

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out material facts is annexed thereto.
3. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
4. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 20<sup>th</sup> September, 2012 to 28<sup>th</sup> September, 2012 (both days inclusive).
6. The dividend on shares, as recommended by the Board, if sanctioned at the meeting will be paid to the shareholders, whose name appears on the Register of Members on 28<sup>th</sup> September, 2012.
7. Members are requested to promptly notify any change of address to the Registered Office of the Company.
8. Members desiring any information about Accounts at the Meeting are requested to write to the Company at least seven days in advance of the Annual General Meeting.
9. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days between 11:00 a.m. to 1.00 p.m., except Saturday, Sunday and Public holidays, up to the date of the Annual General Meeting.

For and on behalf of the Board

Aarti Grover  
Managing Director

Place: Mumbai

Date: 29<sup>th</sup>, August, 2012



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**Item No. 5**

**Appointment of Ms Aarti Grover as a Director of the Company**

Ms Aarti Grover, was appointed as a Whole-time Director w.e.f. 01.10.2010 by the Board of Directors. The payment of remuneration to Ms Aarti Grover, as recommended by the Board was approved by the Special Resolution passed by the shareholders by Postal Ballot on 23.02.2011.

Ms Aarti Grover has now been re-designated as the Managing Director of the Company by the Board w.e.f. 14<sup>th</sup> August, 2012, on the same remuneration she is entitled to in terms of the shareholders resolution dated 23.02.2011.

Ms Aarti Grover in respect of whom the company has received a notice from its shareholders proposing her candidature for the position of Directorship in the Company.

The Directors of the Company has considered and approved her appointment and recommends for the shareholders approval in this AGM.

**Item No. 6.**

**Appointment of Ms Sona P.Ramchandani as a Director of the Company**

Ms Sona P.Ramchandani, in respect of whom the company has received a notice from its shareholders proposing her candidature for the position of Directorship in the company. The Directors considered this matter and approved her appointment as an Additional Director and recommended for the shareholders' approval in the forthcoming AGM.

The Directors of the Company have considered and approved her appointment and recommends for the shareholders' approval in this AGM.

**Item No. 7.**

**Approval for Issue of Equity Shares to Promoters on Preferential basis**

It is necessary to issue fresh equity shares to meet business requirement of the company and to strengthen the Company's financial parameters. For these purposes, the Directors of the Company intend to mobilise funds through issue of equity shares to the persons belonging to Promoter Group on Preferential Basis in accordance with Securities & Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto. The proceeds of the proposed issue shall also be utilised as owned fund (Shareholders Fund) for improving Debt: Equity ratio.

The Proposed Allottee shall pay Rs. 3525/- (including premium of Rs.3425/- ) per Equity Share, being 100% of the issue price in respect of the Equity Shares that may be allotted in accordance with the





Securities & Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto on the date of allotment of Equity Shares.

The existing shareholding of the proposed allottees of the promoter group shall be locked-in from the relevant date and such lock-in would continue upto a period of six months from the date of allotment of the equity shares.

**Information as required under Regulation 73 of Securities & Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto for issue of Equity Shares on Preferential basis:**

**a. Object of the Issue**

The proposed issue is to meet the business requirement of the company which would strengthen the Company's financial parameters. The proceeds of the proposed issue shall also be utilised as owned fund (Shareholders Fund) toward improving Debt: Equity ratio.

**b. Intention of the promoter(s) and others to subscribe**

The Company has received written consent from the promoter company towards their intention to subscribe proposed issue of Equity Shares of by the company.

**c. Pricing**

In compliance with the SEBI Pricing Norms, the price is arrived as under: on the basis of 29<sup>th</sup> August, 2012 being the relevant date.

Average of the weekly high & low of the closing prices during six months preceding the relevant date is Rs.3525. Average of the weekly high & low of the closing prices during two weeks preceding the relevant date is Rs.3254.50.

Higher of the above two is Rs.3525/- and price on which issue is made should not be lower than Rs.3525/- therefore the shares are issued at Rs.3525/- (including premium of Rs.3425/-) per equity shares.

The price above is determined on the basis of the quotes available on Bombay Stock Exchange Limited which recorded the highest trading volume during the last six months prior to the relevant date.

**d. Undertaking to pay Recomputed price of share**

(a) The company undertake that if required, the price of proposed shares shall be recomputed in view of the provisions of Securities & Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto.

(b) If the amount payable on account of the re-computation of price is not paid within the stipulated time as mentioned in the Regulations, the specified securities shall continue to be locked in till such amount is paid by the allottees.



e. **Shareholding Pattern of the Company before and after the issue:**

Sl. No.	Category	Pre Issue		Post Issue	
		No. of shares held	%	No. of shares held	%
1	Promoters Holding	32925	64.59	35425	66.25
2	Mutual Funds, Banks, Financial Institution, Insurance Companies, FII's/ Foreign Companies	158	0.31	158	0.29
3	Bodies Corporate	668	1.31	668	1.24
4	Indian Public	16450	32.27	16450	30.77
5	NRI's/OCB's	769	1.52	769	1.45
6	Any Other				
	<b>GRAND TOTAL</b>	<b>50970</b>		<b>53470</b>	

f. **Proposed time within which the allotment shall be completed.**

The Board proposes to allot the equity shares within a period of 15 days from the date of passing of this resolution by the shareholders or within 15 days from the date of approval of any regulatory authority, whichever is later.

g. **The identity of the proposed allottees and the percentage of the preferential issue that may be held by them**

Sl. No.	Name of the Proposed Allottees	Pre-Issue Shareholding		Post Issue shareholding	
		No. of shares held	%	No. of shares held	%
1	CMS Computers Limited	1269	2.48	3769	7.04
	<b>TOTAL</b>				

h. **Consequential Changes in Voting Rights**

Voting rights will change in tandem with the shareholding pattern. However there shall not be any change in the management control of the company.

i. **Auditors' Certificate**

A certificate from M/s N.D.Kapur., Chartered Accountants, being the Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with the requirements contained in Securities & Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto shall be placed before the meeting of the shareholders.

j. **Proposed allotment of shares as pari-passu**

The equity shares arising out of allotment pursuant to the resolution shall rank pari passu in all respect with the then existing Equity Shares of the company.



**k. Lock-in**

The 2500 Equity Shares being allotted to persons mentioned above shall be locked-in for such period from the date of allotment of shares as per Securities & Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto.

**l. Change in Management**

The issue of Equity Shares will not result in any change in the management or control of the Company.

Issuance of shares on preferential basis is governed, inter alia, by the provisions of Section 81(1A) of the Companies Act, 1956 and the relevant provisions of the Securities & Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto.

As per Section 81(1A) of the Companies Act, 1956 and the Securities & Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto, approval of the members of the Company by way of Special Resolution is required to be obtained for issuance of Equity Shares to Promoter Company on preferential basis.

None of the Directors of the Company is concerned or interested in the resolution save and except Promoter Directors who may be deemed to be interested to the extent to allotment to promoters Group.

The Board of Directors recommends the resolution for the approval of the shareholders.

**Item No. 8**

The Special Resolution contained in the Notice under Item No. 8 relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares on preferential basis at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with Merchant Bankers, inclusive of such premium, as may be determined by the Board in one or more tranche(s), subject to applicable laws, rules and regulations.

The resolution enables the Board to issue Securities for an aggregate amount not exceeding 20,000 Equity Shares of Rs.100/- each on preferential basis.

The Board may issue Securities pursuant to this special resolution to meet long term working capital and capital expenditure requirements of the Company and strengthening the Balance Sheet of the Company including repayment of debt, usage for business ventures/projects and other general corporate purposes.



The detailed terms and conditions for the offer will be determined by the Board in consultation with the Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

Section 81(1A) of the Companies Act, 1956 ("the Act") and the relevant provisions of the Listing Agreement with the Stock Exchanges where the Equity Shares of the Company are presently listed provides, inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares, such further shares shall be offered to the existing shareholders of such Company in the manner laid down in Section 81 of the Act unless the shareholders in a general meeting decide otherwise. As the aforesaid resolution provide for or may result into issue of Equity Shares to persons other than the existing shareholders of the Company, consent of the Company is being sought pursuant to Section 81(1A) and all other applicable provisions, if any, of the Act.

The Special Resolution as set out above, if passed, will have the effect of permitting the Board to issue and allot Securities to Investors, who may or may not be existing shareholders of the Company in the manner as set out in resolution No. 8.

The Board believes that the proposed Special Resolution is in the interest of the Company and therefore recommends the resolution for your approval.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

For and on behalf of the Board

Aarti Grover  
Managing Director

Mumbai  
Dated : 29<sup>th</sup> August, 2012



## DIRECTORS' REPORT

1. The Directors' have pleasure in presenting the 69<sup>th</sup> Annual Report and Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2012.

2. **Financial Results:** (Rupees in Lakhs)

	<u>2011-2012</u>	<u>2010-2011</u>
Turnover (Net )	2516.27	2687.73
Operating Profit	165.07	189.64
Depreciation	27.22	23.80
Profit Before Taxation	137.85	165.83
Provision for taxation	45.68	54.50
Profit after Tax	96.25	100.86
Retained profit Brought forward	332.08	257.18
Transferred to General reserve	20	20.00
Proposed Dividend & Dividend Tax	5.92	5.96
Balance Retained In profit and loss account	402.41	332.07

3. **Dividend**

Considering the overall performance of the company your Directors are pleased to recommend equity dividend @ 10% (Rs. 10/- Per Share) for the year subject to approval of members in the ensuing Annual General Meeting.

4. **Performance of the Company:**

Due to the sluggish market conditions of the company, the turnover and profit was marginally lowered in this year. The company would gear up in the coming years and expects a good demand in the year 2012-13.

Turnover decreased by 6.38% i.e. from Rs.2687.73 Lacs to Rs.2516.27 Lacs. The company has shown a Net profit after tax Rs.96.25 lacs and in the previous year it was Rs.100.86 lacs.

5. **Pakistan Unit:**

Pakistan Unit continues to be under the control and management of Pakistan Government. Since 30th June, 1964 no further statement of accounts have been received from the unit.

6. **Deposits:**

The Company has not accepted any Deposits. Further no amount as deposit or interest was outstanding as of the balance sheet date.



**7. Board of Directors:**

Mrs. Raju Grover, retires by rotation at this Annual General Meeting in accordance with the Companies Act, 1956 and Articles of association of the company. She being eligible, offer herself for reappointment.

Mrs. Sona Ramchandani, was appointed as an Additional Director of the Company on 20.03.2012 under Section 260 of the Companies Act, 1956. She holds her office till the conclusion of the forthcoming Annual General Meeting and is eligible for appointment as Director.

Ms. Aarti Grover, was appointed as an Additional Director of Company on 29.09.2011 under section 260 of the Companies Act, 1956 and is hereby appointed as Director of the company.

During the year the Company at its Board Meeting held on 14<sup>th</sup> August, 2012, re-designated Ms Aarti Grover as Managing Director of the Company on remuneration payable to her in terms of resolution passed by the shareholders by postal ballot on 23.02.2011.

During the year Mr Aalok Ghosh, who was Director of the Company resigned from the Directorship and company places on record its appreciation of the services rendered by him during his tenure as Director of the Company.

**8. Appointment of Cost Auditor :**

Pursuant to the notification No.F.No.52/26/CAB-2010 dated 24<sup>th</sup> January, 2012 of Ministry of Corporate Affairs, every company listed on the Exchanges has to compulsorily appoint Cost Auditor for the year 2012-13. The notification also indicates that the Company has to file Compliance Certificate for the year 2011-12 within 180 days from the date of financial year ended March, 2012. Accordingly, company has approached by M/s. Vinayak Kulkarni & Associates, Cost Auditor, Mumbai for this assignment. The company appointed M/s. Vinayak Kulkarni & Associates, Cost Auditor for the year 2012-13.

**9. Directors' Responsibility Statement:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2012 the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.
- (ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of the company at the end of the financial year and of the profit for the year under review;



- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors had prepared the accounts for the financial year ended 31<sup>st</sup> March, 2012 on a ' going concern ' basis.

**10. Secretarial Compliance Certificate:**

As required under the provision of section 383A of the Companies Act, 1956, the secretarial compliance certificate is attached as per annexure-I

**11. Auditor's report:**

Auditors have referred to para (7) & (9) as appearing in the Auditors report and in the opinion of the director these notes are self explanatory and require no further explanations.

**12. Auditors:**

M/s. N.D.Kapur & Co, Chartered Accountants, auditors of the company, hold office until the Conclusion of the ensuing Annual General Meeting and are eligible for re-appointment and have confirm that if appointed, their appointment will be with in the limits prescribed under section 224(1B) of the Companies Act, 1956. Members are requested to appoint the Auditors of the company for the current year and fix their remuneration.

**13. Particulars of Employees:**

As none of the employees are in receipt of remuneration in aggregate of Rs. 60 lacs p.a. or more during the year and hence the particulars required under Section 217(2-A) of the Companies Act, 1956 is not furnished.

The company continues to lay emphasis on Human Resource Development, to make its employees attain high standards in efficiency and productivity. A number of training programs have been conducted for constantly upgrading their knowledge to ensure significant improvements in their performance and to equip them to deal with the ever changing comparative environment.

**14. Environment safety and energy conservation:**

As required by the companies (Disclosure of the Particulars in the Report of Board of Directors) Rules 1988 the relevant data pertaining to conservation of energy and technology absorption are given in the prescribed format as an Annexure-II to this report.



**15. Acknowledgement:**

Your Directors wish to place on record their sincere thanks to the Bankers and the Government Agencies for their support and look forward to their continued support in the future. Your Director also wishes to thank their business constituents for their continued co-operation given by them to the Company.

Your Directors express their deep appreciation for the devoted contribution made by employees at all levels. Who through competence, hard work, solidarity, co-operation and support have contributed their best efforts for continued progress of the Company. Employees relation continued to remain happy and cordial during the year.

And finally, the Directors acknowledge their gratitude the confidence which the share holders reposed in them.

For and On behalf of the Board of Directors

Aarti Grover  
Managing Director

MUMBAI

DATED: 29<sup>th</sup> August, 2012





**M Siroya and Company**  
**Company Secretaries**

C-1, First Floor, Everest Building, Opp. BMC School, Dattapada Road, Borivali (E), Mumbai - 400 066  
Telefax: +91 22 28706523; Mobile: 93243 10151; E-mail: siroyam@rediffmail.com

**SECRETARIAL COMPLIANCE CERTIFICATE**  
**CIN of the Company: L70102MH1942PLC006482**  
**Authorised Share Capital: Rs. 97,50,000/-**  
**Paid-up Share Capital: Rs. 50,97,000/-**

To,  
The Members  
**Kaycee Industries Limited**  
Kamani Chambers, 32, Nicol Road,  
Ballard Estate, Mumbai - 400 001

We have examined the registers, books and papers of **M/s. Kaycee Industries Limited** (the Company) as required to be maintained under The Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended **31<sup>st</sup> March, 2012**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year: -

1. the Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and rules made there under and all entries therein have been duly recorded.
2. the Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under unless stated otherwise.
3. the Company being a public limited Company, has a paid-up Capital of Rs. 50,97,000/-.
4. the Board of Directors duly met 9 times on 13.05.2011, 12.08.2011, 30.08.2011, 15.09.2011, 29.09.2011, 14.11.2011, 15.02.2012, 20.03.2012 and 27.03.2012, in respect of which meetings proper notices were given and signed in the minutes book maintained for the purpose.
5. the Company had closed its Register of Members from 20<sup>th</sup> September, 2011 to 29<sup>th</sup> September, 2011 (both days inclusive) in order to comply with the provisions of Section 154 of the Act.
6. the Annual General Meeting for the financial year ended on 31.03.2011 was held on 29.09.2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the minutes book maintained for the purpose.
7. no extra-ordinary general meeting was held during the financial year.
8. the Company has not advanced any loans or given any guarantees or provided any securities to its directors or persons or firms or Companies referred to under Section 295 of the Act.



9. the Company has complied with the provisions of Section 297 of the Act in respect of Contracts specified in that Section.
10. the Company has made necessary entries in the register maintained under Section 301 of the Act.
11. as there were no instances during the year falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. the Company has issued duplicate share certificates during the financial year and complied with provisions of the Companies Act, 1956.
13. the Company has: -
  - i) Delivered all the certificates on lodgment thereof for transfer in accordance with the provisions of the Act.
  - ii) Declared dividend during the year and complied with the provisions of the Act.
  - iii) Not paid any interim dividend during the year.
  - iv) Duly complied with the requirements of Section 217 of the Act.
14. the Board of Directors of the Company is duly constituted, Ms. Aarti Grover vacated office under section 260 as Additional Director on 29<sup>th</sup> September, 2011 and again appointed as an Additional Director w.e.f 29<sup>th</sup> September, 2011 and Mrs. Sonu P. Ramchandani was appointed as an additional director on 20<sup>th</sup> March, 2012 after complying with the relevant provisions of the Companies Act, 1956 during the year. However the company has filed Form 25A on 05<sup>th</sup> June, 2012, after the expiry of 90 days from the date of appointment, seeking the approval of the Central Government to the appointment and remuneration payable to Ms. Aarti Grover and the said application is pending before the Central Government.
15. the Company has appointed Ms. Aarti Grover as Whole Time Director during the financial Year under review and complied with the provisions of the Act subject to certain approval as described elsewhere in this certificate.
16. the Company has not appointed any sole-selling agents during the financial year.
17. the Company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the financial except that of the Central Government to the appointment of and remuneration payable to Ms. Aarti Grover as Whole Time Director of the Company for which Form 25A filed on 05<sup>th</sup> June, 2012 with the Central Government is pending for approval.
18. the Directors have disclosed their interest in other firms, Companies to the Board of Directors pursuant to the provisions of the Act and rules made there under.
19. the Company has not allotted any Shares/debentures or other securities during the financial year.
20. the Company has not bought back any Shares during the financial year.



21. there was no redemption of preference shares or debentures outstanding during the financial year.
22. there were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. the Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. the Company has borrowed amount from its Banks during the financial year ended 31<sup>st</sup> March, 2012 under the provisions of Section 293 (1) (d) of the Act, within the borrowing limits as approved by the members of the Company in their meeting.
25. the Company has made investment(s) in other bodies corporate and complied with the provisions of the Act. However, the Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate.
26. the Company has not altered the provisions of the Memorandum with respect to the situation of the Company's registered office from one state to another during the year under scrutiny.
27. the Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. the Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. the Company has not altered the provisions of the Memorandum with respect to share capital of the Company for the year under scrutiny.
30. the Company has not altered its Articles of Association during the financial year.
31. as informed to us, there was no prosecution initiated against the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offence under the Act.
32. the Company has not received any money as security from its employees during the financial year.
33. the Company is generally regular in depositing both the employees' and employer's contribution to Provident Fund with the prescribed authorities pursuant to Section 418 of the Act.

**For M Siroya and Company**  
**Company Secretaries**

**Mukesh Siroya**  
**Proprietor**  
**CP No.: 4157**

**Place: Mumbai**  
**Date: 29<sup>th</sup> August, 2012**



**Annexure A - Secretarial Compliance Certificate**

Name of the Company : Kaycee Industries Limited  
 CIN : L70102MH1942PLC006482

Registers as maintained by the Company

**Statutory Register**

Sr. No.	Under Section	Name of Register
1	143	Register of Charges
2	150	Register of Members
3	193	Minutes of all meetings of Board of Directors
4	193(1)	Minutes of General Body Meetings
5	209	Books of Accounts
6	301	Register of Particulars of Contracts in which Directors are interested
7	303	Register of Directors
8	307	Register of Directors' Shareholding

**Other Registers**

1	-	Board Meeting Attendance Register
2	-	General Meeting Attendance Register
3	-	Share Transfer Register


**Annexure B - Secretarial Compliance Certificate**

**Name of the Company : Kaycee Industries Limited**  
**CIN : L70102MH1942PLC006482**

Returns / Documents / Forms filed with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended March 31<sup>st</sup>, 2012

**FOR THE YEAR 2011-2012 (01.04.2011 TO 31.03.2012)**  
**REGISTRAR OF COMPANIES**

Sr. No.	Form No.	Relevant Section	Description	Date of Filing	Whether filed Within prescribed time Yes / No	If delay in filing, whether requisite additional fee paid Yes / No
1	32	260	Vacation of the office by Mr. Ramesh Dutt Grover due to his death as on 05 <sup>th</sup> March, 2011 filed vide SRN B18133546	12.08.2011	No	Yes
2	66	383A	Secretarial Compliance Certificate for the year ended on 31 <sup>st</sup> March, 2011 vide SRN P84087469	29.12.2011	No	Yes
3	23AC XBRL & 23ACA XBRL	220(1)	Balance Sheet and Profit & Loss Account as on 31.03.2011 vide SRN P84271980	31.12.2011	Yes	NA
4	32	260	Vacation of the office by Ms. Aarti Grover u/s 260 as an Additional director at the AGM held on 29.09.2011 vide SRN B35437557	26.03.2012.	No	Yes
5	32	260	Appointment of Mrs. Sona Ramchandani as Additional Director at the board Meeting held on 20.03.2012 vide SRN B35373265	26.03.2012.	Yes	NA
6	32	260	Change in designation of Mr. Aaloke Ghosh from Additional Director to Director at the AGM held on 29.09.2011 and appointment of Ms. Aarti Grover as an Additional Director and Whole Time Director at the Board Meeting held on 29.09.2011 (After the AGM) and filed vide SRN B35613421	28.03.2012	No	Yes
7	20B	159(1)	Annual Return (Schedule V) made up to 29.09.2011 vide SRN P86791753	02.04.2012	No	Yes
8	25C	269(2), & Schedule XIII	Return of Appointment of Ms. Aarti Grover as whole time Director filed vide SRN B37035029	17.04.2012	No	Yes
9	25A	198 (4), 269, 309 (3), 311, 387, 388	Application for Approval of Central Government for payment of Remuneration to Whole time Director, Ms. Aarti Grover, filed vide SRN B40581233	05.06.2012	No	Yes



**ANNEXURE II OF DIRECTORS' REPORT**

Information as per Section 217 (1) (e) read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March 2012.

**A. Conservation of energy**

- A Energy conservation measure taken : The requirement of power is not large and the position does not warrant any special conservation measures
- B Additional investments and proposals if any, being implemented for reduction of consumption of energy : NIL
- C Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : NIL
- D Total energy consumption and energy consumption per unit of production. : NIL

**B. Technology Absorption**

Efforts made in technology absorption as per Form B : Form B attached

**C. Foreign Exchange Earning and Outgo**

- a. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans. : The company is continuously making efforts to increase the exports and during the year exports amounted to Rs. 68,64,639/-.(F.O.B Value)
- b. Total foreign exchange used and earned : Foreign Exchange used equivalent to Rs.99,84,878/- Foreign Exchange earned Rs. 68,64,639/-.(F.O.B Value)



## FORM - B

Disclosure of particulars with respect to Absorption.  
Research and Development (R & D)

1. Specific areas in which R & D : Micro Switches, Rotary Switches, and development carried out by the company of new products like Breaker control Switch, push Buttons.
2. Benefits derived as a result of the above R&D : Improvements in existing products in quality & performance
3. Future plan of action : Efforts will be continued to introduce new products and to improve existing products.
4. Expenditure on R & D
  - a. Capital : Rs NIL
  - b. Recurring : Rs. NIL
  - c. Total : Rs. NIL
  - d. Total R & D expenditure as a percentage of total turn over : Rs. NIL

Technology absorption, adaptation & innovation.

1. Efforts, in brief, made towards technology absorption, adaptation and innovation : No technology has been imported by the Company over the last five years reckoned from the beginning of the financial year under reference. The Company is updating the existing technology. The Scope of innovation with existing range of products is limited.
2. Benefits derived as a result of the above efforts : NIL  
e.g. product improvement, cost reduction, product development, import, substitution etc.
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 : Not Applicable
4.
  - a. Technology imported : Not Applicable
  - b. Year of Import : Not Applicable
  - c. Has technology been fully absorbed : Not Applicable
  - d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. : Not Applicable



## AUDITORS' REPORT

To the Members,  
Kaycee Industries Limited

We have audited the attached Balance Sheet of Kaycee Industries Limited ("the Company") as at 31<sup>st</sup> March 2012, the Profit and Loss Account for the year ended on that date and the Cash Flow Statement for the year ended on that date annexed thereto (together referred to as the "financial statements"). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003, [ as amended by Companies (Auditor's Report) (Amendment) Order, 2004 ] (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, ("the Act") and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
3. Further to our comments in the annexure referred to in paragraph 2 above, 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 purposes of our audit,
  - b) In our opinion, proper books of accounts as required by law, have been kept by the Company, so far as 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 dealt with by this report comply with the mandatory accounting standards referred in sub-section (3C) of section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the Directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31<sup>st</sup> March 2012 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956,





- 4 In our opinion, and to the best of our information and according to the explanations given to us, the accounts, read together with the notes thereon, give the information required by the Companies Act 1956 in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India :
- i) In the case of the Balance Sheet of the state of affairs of the Company as at 31<sup>ST</sup> March, 2012;
  - ii) In the case of statement of Profit and Loss, of the profit for the year ended on that date; and
  - iii) In the case of the Cash Flow Statement of the cash flows for the year ended on that date.

For N. D. KAPUR & CO.  
Chartered Accountants  
Firm's Registration No: 001196N

Mumbai  
Dated : 29<sup>TH</sup> August 2012

S. K. AGRAWAL  
Partner  
M. No. 13968



**Annexure referred to in paragraph 2 of Auditors' Report of even date to the members of Kaycee Industries Limited on the Financial Statements for the year ended 31<sup>st</sup> March, 2012**

1. In respect of its fixed assets:
  - a) The Company is in the process of updating records showing full particulars, including quantitative details and situation, of its fixed assets. As explained to us, the fixed assets have been physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable, having regards to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.
  - b) The fixed assets, which were disposed off during the year is under the scheme of Arrangement between Kaycee Industries Limited and RDJ Constructions Pvt. Ltd. wholly owned subsidiary of Kaycee Industries Limited as per the court order dated 17<sup>th</sup> June, 2011 do not form substantial part of the fixed assets owned by the company.
  - c) In our opinion and according to the information and explanations given to us, the Company has not disposed off any substantial part of fixed assets during the year to affect its going concern.
2. In respect of its inventories:
  - a) As explained to us, inventories have been physically verified by the management at regular intervals during the year, in our opinion the frequency of verification is reasonable, except stocks lying with third parties for which no confirmation have been obtained in respect of such inventory.
  - 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) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. The Company has not granted any loans, secured or unsecured, to companies, firm or other parties covered in the register maintained under section 301 of the companies act, 1956, (except trade advances ) and hence clause 4 (3) (a) to (g) of the Companies (Auditor's Report) order 2003, are not applicable to the company.
4. The Company has not taken unsecured loans, from companies, firm or other parties covered in the register maintained under section 301 of the companies act, 1956 and hence clause 4 (3) (a) to (g) of the companies (Auditor's Report) order 2003, are not applicable to the company.



5. 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 with regard to the purchase of inventory, fixed assets and also for the sale of goods. Further, on the basis of our examination of the books and records of the company, and according to the information and explanation given to us, we neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
6. In respect of transactions covered under 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 needed to be entered into 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, 1946 aggregating to Rs.5,00,000/- (Rupees Five Lacs only) or more in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
7. The Company has an internal audit system, which is in commensurate with its size and nature of its business.
8. As informed to us, the maintenance of Cost Records has not been prescribed by Central Government under Section 209 (1) (d) of the Companies Act, 1956 for any of the products manufactured by the company.
9. In respect of statutory dues:
  - a. According to the records of the company as produced before us and in accordance with generally accepted auditing practices in India and also based on management representations, undisputed statutory dues in respect of Provident Fund, Pension Fund, Employees' State Insurance, Income-Tax, Customs Duty, MLW Fund, Sales Tax, Profession Tax, Excise Duty, Cess, Service Tax and other statutory dues have generally been regularly deposited by the Company during the year with the appropriate authorities in India. According to the information and explanations given to us, no undisputed amounts payables in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March 2012 for a period of more than six months from the date of becoming payable.



- b. The disputed statutory dues aggregating to Rs 3.96 lacs (P.Y. Rs 16.84 lacs) have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the Statute	Nature of the Dues	Year	Forum where dispute is pending	Amount (Rs in Lacs)
Central Excise	Excise	2007-08	Superintendent of Excise	3.96

10. The company does not have accumulated losses as at 31<sup>st</sup> March, 2012 and has not incurred any cash losses either during the current financial year or in the immediately preceding financial year.
11. Based on our audit procedures and according to the records, information and explanation given to us, by the Company there is no default in repayment of dues to financial institutions, banks. In our opinion and according to the information and explanation given to us, 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.
12. According to information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund nidhi / mutual benefit fund / societies, are not applicable to it.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institutions during the year.
16. The Company has not raised any term loans.
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 the Company has utilised Rs. 38.95 (P.Y. Rs 26.03 lacs) from internal accruals towards acquisition of fixed assets No funds raised on short-term basis have been used for long term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
19. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution or banks.



20. The Company has not issued any debentures.
21. On the basis of examination of books of accounts and other records of the Company, we have not come across any fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

**For N. D. KAPUR & CO.**  
**Chartered Accountants**  
Firm's Registration No: 001196N

Mumbai  
Dated : : 29<sup>TH</sup> August 2012

**S. K. AGRAWAL**  
*Partner*  
M.No. 13968



**BALANCE SHEET AS AT 31st MARCH, 2012**

	Note No	31st March 2012 Rupees	31st March 2011 Rupees
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUND :</b>			
(a) Share Capital	1	5,097,000	5,097,000
(b) Reserves & Surplus	2	76,436,543	67,452,733
(c) Money received against share warrants		-	-
<b>2 SHARE APPLICATION MONEY PENDING ALLOTMENT :</b>		<u>81,533,543</u>	<u>72,549,733</u>
<b>3 NON-CURRENT LIABILITIES</b>			
(a) Long term Borrowings	3	-	-
(b) Deferred Tax Liabilities	4	-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions	5	4,170,179	5,363,367
<b>4 CURRENT LIABILITIES</b>		<u>4,170,179</u>	<u>5,363,367</u>
(a) Short Term Borrowings		-	-
(b) Trade payable	6	32,202,767	21,040,925
(c) Other Current Liabilities	7	51,681,014	56,742,741
(d) Short Term Provisions	8	5,570,628	4,711,022
	9	3,514,274	3,765,405
		<u>92,968,683</u>	<u>86,260,093</u>
<b>II. ASSETS</b>	<b>TOTAL</b>	<u><u>178,672,405</u></u>	<u><u>164,173,193</u></u>
<b>1 NON CURRENT ASSETS</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	15,090,040	13,965,788
(ii) Intangible Assets		-	-
(iii) Capital Work in Progress		-	-
(iv) Intangible assets under development		14,766,844	14,766,844
(b) Non current Investment		-	-
(c) Deferred Tax Assets	11	109,900	109,900
(d) Long Term loans and Advances	4	1,187,335	778,658
(e) Other Non Current Assets	12	876,320	876,320
<b>2 CURRENT ASSETS</b>		<u>32,030,439</u>	<u>30,497,510</u>
(a) Current Investments		-	-
(b) Inventories	13	44,545,591	39,608,341
(c) Trade Receivables	14	88,105,424	85,229,859
(d) Cash and cash equivalents	15	3,682,920	3,327,358
(e) Short-term loans and advances	16	1,506,912	3,397,456
(f) Other current assets	17	8,801,118	2,112,669
		<u>146,641,966</u>	<u>133,675,683</u>
	<b>TOTAL</b>	<u><u>178,672,405</u></u>	<u><u>164,173,193</u></u>

Notes Forming Part of the Accounts  
In terms of our report attached.

1 TO 27

For N. D. KAPUR & CO.  
Firm's Registration No: 001196N  
Chartered Accountants

S. K. AGRAWAL  
Partner  
MUMBAI  
Date : 29th August, 2012

Managing Director  
(Aarti Grover)

Director  
(Raju R. Grover)



**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012**

	Note No	31st March 2012 Rupees	31st March 2011 Rupees
<b>A CONTINUING OPERATION</b>			
1 Revenue from operations (gross)	18	251,627,132	268,773,737
2 Other Income	19	4,107,527	5,450,654
3 <b>Total Revenue</b>		<u>255,734,659</u>	<u>274,224,391</u>
4 <b>Expenses</b>			
(a) Cost of materials consumed	20	128,584,538	138,037,575
(b) Purchases of stock-in-trade	21	11,472,044	17,981,434
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	(6,296,850)	4,326,993
(d) Employee Benefit Expenses	23	53,683,723	51,657,689
(e) Finance cost	24	3,635,415	2,637,894
(f) Depreciation and Amortisation Expenses	10	2,722,024	2,380,925
(g) Other Expenses	25	48,148,973	40,618,574
<b>Total Expenses</b>		<u>241,949,867</u>	<u>257,641,084</u>
5 <b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		13,784,792	16,583,307
6 Exceptional items		-	-
7 <b>Profit / (Loss) before extraordinary items and tax (5 + 6)</b>		13,784,792	16,583,307
8 Extraordinary items		-	-
9 <b>Profit / (Loss) before tax (7 + 8)</b>		13,784,792	16,583,307
10 <b>Tax Expenses</b>			
(a) Prior Period		-	-220,536
(a) Current tax		4,568,000	5,450,000
(b) Deferred Tax		(408,676)	1,267,776
11 <b>Profit / (Loss) from continuing operations (9 + 10)</b>		<u>9,625,468</u>	<u>10,086,067</u>
Earning per equity share of face value of Rs. 100 each ( Basic & Diluted)		188.85	197.88

Notes Forming Part of the Accounts  
In terms of our report attached.

1 TO 27

**For N. D. KAPUR & CO.**  
Firm's Registration No: 001196N  
Chartered Accountants

**S. K. AGRAWAL**  
Partner  
MUMBAI  
Date : 29th August, 2012

**Managing Director**  
(Aarti Grover)

**Director**  
(Raju R. Grover)



CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2012

	2011-2012		2010-2011	
	RS	RS	RS	RS
<b>A. Cash Flow From Operating Activities</b>				
Net Profit/(Loss) Before Tax and extra Ordinary Items		13,784,792		16,583,308
Adjusted for				
Provision for Doubtful Debts				
Depreciation	1,862,020		594,823	
Interest received	2,722,024		2,380,925	
Dividend received	(92,695)		(115,078)	
Profit on Sale of Assets	(2,000)		(2,000)	
Commission Received	-			
Loss on assets discarded	-			
Rent Received	(2,400,000)		36,811	
Interest Charged	3,635,415	5,724,764	(2,400,000)	2,514,605
<b>Operating profit before working capital changes</b>		<b>19,509,556</b>	<b>2,019,124</b>	<b>19,097,913</b>
Changes in				
Trade and other receivables	(9,606,622)		(4,370,297)	
Inventories	(4,937,250)		(6,132,470)	
Trade payable / Other Liabilities	(4,479,353)	(19,023,225)	1,161,595	(9,341,171)
<b>Cash generated from operations</b>		<b>486,332</b>		<b>9,756,742</b>
Deferred Tax (Liability)		(5,641,148)		(4,264,571)
Direct taxes Paid		(5,154,817)		5,492,171
<b>Net cash flow before extra ordinary items</b>				
Extra ordinary items				
(Loss on Fixed Assets Discarded)				
Prior Period Expenses				
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>(5,154,817)</b>		<b>220,536</b>
<b>B. Cash flow from investing activities</b>				<b>5,712,707</b>
Inflow				
Interest received		92,695		115,078
Dividend received		2,000		2,000
Commission Received				
Sale of fixed assets		(49,273)		
Rent received		2,400,000		2,400,000
Outflow				
Purchase of fixed assets		(3,846,277)		(2,602,732)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>		<b>(1,400,855)</b>		<b>(99,900)</b>
<b>C. Cash flow from financing activities</b>				<b>(185,554)</b>
Inflow				
Increase in bank borrowing -NET	11,071,842			
Increase in borrowing from outsiders -NET				
Outflow				
Decrease in bank borrowing-NET		11,071,842		
Repayment of intercorporate deposite			(2,649,498)	
Dividend paid	(596,324)		(596,349)	
Deferred tax Liability	(3,635,415)	(4,231,739)	(2,019,124)	(5,264,971)
Interest paid				
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>		<b>6,840,102</b>		<b>(5,264,971)</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>284,430</b>		<b>262,182</b>
CASH & CASH EQUIVALENTS-OPENING BALANCE		3,229,781		2,967,599
CASH & CASH EQUIVALENTS-CLOSING BALANCE		3,514,211		3,229,781

For N. D. KAPUR & CO.  
Firm's Registration No: 001196N  
Chartered Accountants

S. K. AGRAWAL  
Partner  
MUMBAI  
Date : 29th August, 2012

Managing Director  
(Aarti Grover)

Director  
(Raju R. Grover)





NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

	As At 31st March 2012	As At 31st March 2011
<b>Note : 1</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>	<u>97,50,000</u>	<u>97,50,000</u>
97,500 Equity Shares of Rs. 100/- each		
<b>ISSUED, SUBSCRIBED AND PAID UP:</b>	<u>5,097,000</u>	<u>5,097,000</u>
50,970 Equity Shares of Rs. 100/- each		
Includes 3125 Shares issued to erstwhile Deferred Shareholders pursuant to scheme of conversion sanctioned by Hon'ble Bombay High Court on 10th July, 1985.		
<b>a) Details of Shareholder Holding more than 5% Shares</b>		
Name of the Shareholder	Cms Traffic System Limited	Cms Traffic System Limited
No. of Shares Held	31,656	31,656
% of Holding	62.11%	62.11%
<b>Note : 2</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Share Premium Account</b>		
Opening Balance	16,741,324	16,741,324
Add : Share Premium Credited on Share Issue	-	-
Less : Premium Utilised for various Issue	-	-
Less : Loss on A/C of Transfer of Property WOS	<u>49,272</u>	<u>-</u>
Closing Balance	16,692,052	16,741,324
<b>General Reserve</b>		
Opening Balance	17,503,587	15,503,587
Add : Current Year Transfer	<u>2,000,000</u>	<u>2,000,000</u>
Closing Balance	19,503,587	17,503,587
<b>Profit &amp; Loss Account Balance</b>		
Opening Balance	33,207,822	25,718,079
Add Profit for The year	<u>9,625,468</u>	<u>10,086,067</u>
	42,833,290	35,804,146
Less: Appropriations		
Transfer to General Reserve	2,000,000	2,000,000
Proposed Dividend on equity share holders	509,700	509,700
Dividend Per shares Rs. 10/- (P Y Rs 10/-)		
Tax On dividend	<u>82,686</u>	<u>86,624</u>
Closing Balance	40,240,904	33,207,822
<b>TOTAL</b>	<u>76,436,543</u>	<u>67,452,733</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

	As At 31st March 2012	As At 31st March 2011
--	--------------------------	--------------------------

**Note No.3**

**LONG TERM BORROWINGS**

Secured

Unsecured

-	-
-	-
-	-
-	-

The Company do not have Any long term borrowing In the form of Term loan , debentures and Bonds in the reported financial year.

**Note No.4**

**DEFERRED TAX ASSETS/LIABILITY (NET)**

**(a) Deferred Tax Liabilities**

- i) on Depreciation/amortisation of Fixed Assets
- ii) on Provision for doubtful debts
- iii) on Other Timing Difference

381,841	444,430
-	197,541
29,904	-

TOTAL 411,745 641,971

**(b) Deferred Tax Assets**

- i) on Provision for Gratuity & Leave encashment
- ii) on Provision for doubtful debts
- iii) on Other Timing Difference

994,855	1,411,362
604,225	-
-	9,267

TOTAL 1,599,080 1,420,629

NET 1,187,335 778,658

**Note No.5**

**LONG TERM PROVISIONS**

Leave Encashment

Gratuity

2,861,875	2,692,622
1,308,304	2,670,745

TOTAL 4,170,179 5,363,367

**Note No.6**

**SHORT TERM BORROWINGS**

**SECURED LOANS :**

Working Capital loans from  
The Saraswat Co- Op Bank Ltd

Cash Credit

ODBD

Central bank of India

Cash Credit

ODBD

118,636	(4,323,543)
2,044,346	522,551
22,472,515	18,917,548
3,470,271	1,917,369

Cash Credits against hypothecation of Raw Materials, Finished Goods, Semi - Finished Goods and Book Debts, block of assets of the Company including Factory Land, Property at 70, Lake Road, Bhandup(w) & Existing Plant and Machinery, Mould, Dies etc therein and to be Purchased in Future

TOTAL 28,105,767 17,033,925


**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

	As At 31st March 2012	As At 31st March 2011
<b>UNSECURED:</b>		
From Directors	2,000,000	2,000,000
<b>DEPOSITS:</b>		
Unsecured (Dealer, Distributor & Stockist)	2,097,000	2,007,000
<b>TOTAL</b>	<u><u>32,202,767</u></u>	<u><u>21,040,925</u></u>

**Note No.7**

(a) <b>TRADE PAYABLE</b>	51,299,982	55,521,382
(b) Others - Advance From Customers	381,032	1,221,359
<b>TOTAL</b>	<u><u>51,681,014</u></u>	<u><u>56,742,741</u></u>

Note :

As per the information available with the Company till date none of the suppliers have informed the company about their having registered themselves under the "Micro, Small and Medium Enterprises Development Act, 2006". As such, information as required under this Act, cannot be compiled and therefore, not disclosed for the year.

**Note No.8****OTHER CURRENT LIABILITIES**

Outstanding Liabilities	4,945,159	4,593,337
Sales Tax Payable	465,265	-
Unclaimed Dividends	159,540	117,020
Unclaimed amount for fractional Share	664	664
<b>TOTAL</b>	<u><u>5,570,628</u></u>	<u><u>4,711,022</u></u>

**Note No.9****SHORT TERM PROVISIONS****Others :**

Income Tax	712,615	1,785,763
Fringe Benefit Tax	375,000	375,000
Provision for Excise duty	1,834,273	1,008,318
Proposed Dividend	509,700	509,700
Dividend Distribution tax	82,686	86,624
<b>TOTAL</b>	<u><u>3,514,274</u></u>	<u><u>3,765,405</u></u>

**Notes On Financial Statements for the Year ended 31st March 2012**

Note No : 10

**FIXED ASSETS**

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	Cost as on 1.4.2011		As at 31.03.2012		As at 1.4.2011		Provided for the year during the year		As at 31.03.2012		As at 31.3.2011	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Tangible Assets :</b>												
Land	78,891	-	49,273	29,618	-	-	-	-	-	29,618	-	78,891
Building (Factory)	4,107,427	73,125	-	4,180,552	3,515,094	62,888	-	3,577,982	602,570	3,577,982	-	592,333
Plant & Machinery	25,130,467	1,465,050	-	26,595,517	15,672,078	1,406,593	-	17,078,671	9,516,846	17,078,671	-	9,458,389
Computers	3,563,959	641,957	-	4,205,916	2,942,695	447,858	-	3,390,553	815,363	3,390,553	-	621,264
Furniture, Fitting & Office Equipment	5,736,212	457,577	-	6,193,789	3,063,660	552,354	-	3,616,014	2,577,775	3,616,014	-	2,672,561
Motor Vehicles	210,813	-	-	210,813	177,393	8,652	-	186,045	24,768	186,045	-	33,420
Electrical Fitting	1,144,356	1,257,841	-	2,402,197	635,418	243,679	-	879,097	1,523,100	879,097	-	508,938
<b>SUB TOTAL (A)</b>	<b>39,972,125</b>	<b>3,895,550</b>	<b>49,273</b>	<b>43,818,402</b>	<b>26,006,338</b>	<b>2,722,024</b>	<b>-</b>	<b>28,728,362</b>	<b>15,090,040</b>	<b>28,728,362</b>	<b>-</b>	<b>13,965,796</b>
<b>Intangible Assets :</b>												
<b>SUB TOTAL (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Work in Progress :</b>												
Building under Construction	14,766,844	-	-	14,766,844	-	-	-	-	14,766,844	-	-	14,766,844
<b>SUB TOTAL (C)</b>	<b>14,766,844</b>	<b>-</b>	<b>-</b>	<b>14,766,844</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,766,844</b>	<b>-</b>	<b>-</b>	<b>14,766,844</b>
<b>SUB TOTAL A + B + C</b>	<b>54,738,969</b>	<b>3,895,550</b>	<b>49,273</b>	<b>58,585,246</b>	<b>26,006,338</b>	<b>2,722,024</b>	<b>-</b>	<b>28,728,362</b>	<b>29,856,884</b>	<b>28,728,362</b>	<b>-</b>	<b>28,732,640</b>
Previous Year	37,659,763	2,602,732	290,370	39,972,125	23,878,972	2,380,925	253,559	26,006,338	28,732,640	26,006,338	12,780,792	12,780,792



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

	As At 31st March 2012	As At 31st March 2011
<b>Note No.11</b>		
<b>NON CURRENT INVESMENTS</b>		
Investment (Unquoted) :		
Saraswat Bank (1000 Equity shares of Rs 10 each)	10,000	10,000
RDJ Constructions Pvt Ltd (Subsidiary) (9999 Equity Shares of Rs.10 Each)	99,900	99,900
	<u>109,900</u>	<u>109,900</u>
<b>Note No.12</b>		
<b>OTHER NON CURRENT ASSETS</b>		
<b>ASSETS &amp; LIABILITIES IN PAKISTAN :</b>		
	876,320	876,320
	<u>876,320</u>	<u>876,320</u>
<b>Note No.13</b>		
<b>INVENTORIES :</b>		
<b>(At cost or Net realisable value which ever is less)</b>		
Raw Materials & Stores	14,421,367	18,912,974
Materials in process	2,462,378	2,042,387
Finished Goods	16,674,671	10,797,812
Trading Goods	10,786,143	7,855,168
<b>(At or below cost).</b>		
Packing Materials	201,033	-
	<u>44,545,591</u>	<u>39,608,341</u>
<b>Note No.14</b>		
<b>TRADE RECEIVABLE</b>		
<b>(Unsecured and Considered Good)</b>		
Debts outstanding for a period exceeding six months from the date they were due for payment.		
Considered Good	8,053,462	8,254,078
Considered Doubtful	3,554,521	1,692,501
	<u>11,607,983</u>	<u>9,946,579</u>
Less: Provision for Doubtful Debts	3,554,521	1,692,501
	<u>8,053,462</u>	<u>8,254,078</u>
Others: Considered Good	80,051,962	76,975,782
	<u>88,105,424</u>	<u>85,229,859</u>

**KAYCEE INDUSTRIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

	As At	
	31st March 2012	31st March 2011
<b>Note No.15</b>		
<b>CASH AND CASH EQUIVALENTS :</b>		
Cash in Hand	166,316	166,316
With Scheduled Banks :		
In Current Account	408,723	408,723
Bank Guarantee Margin	1,608,900	1,608,900
In Fixed Deposits	170,732	170,732
In Fixed Deposits against LC Margin	1,000,000	1,000,000
In Dividend Account	159,540	159,540
Accrued Interest on FD	168,709	168,709
	<b>3,682,920</b>	<b>3,320,920</b>
<b>Note No.16</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
<u>Loans &amp; Advances to employees :</u>		
Unsecured, Considered Goods	64,980	64,980
Prepaid Expenses	311,549	311,549
Security Deposit With Central Excise	2,000	2,000
<u>Balances with Govt Authorities :</u>		
Modvat	9,538	9,538
Service Tax	286,164	286,164
Excise Receivable	525,628	525,628
Central Excise Duty (PLA)	156,053	156,053
Sales Tax Receivable	151,000	151,000
	<b>1,506,912</b>	<b>1,506,912</b>
<b>Note No.17</b>		
<b>OTHER CURRENT ASSETS</b>		
Advances to suppliers for Capital Goods	5,035,483	5,035,483
<u>Sundry Deposits :</u>		
Unsecured, Considered Goods	1,009,809	1,009,809
Advances to suppliers for Raw Material	2,399,115	2,399,115
Advance payment of FBT	356,711	356,711
	<b>8,801,118</b>	<b>8,801,118</b>
<b>Note No.18</b>		
<b>SALES :</b>		
Sale of Manufactured Goods	257,730,853	257,730,853
Less : Excise Duty	31,755,154	31,755,154
Export Sale	225,975,699	225,975,699
Sale of Trading Goods	6,947,958	6,947,958
	<b>18,703,476</b>	<b>18,703,476</b>
	<b>251,627,132</b>	<b>251,627,132</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

	As at 31st March 2012	As at 31st March 2011
<b>Note No.19</b>		
<b>OTHER INCOME :</b>		
Interest from Bank on :		
Deposits	92,695	115,078
Dividend Income From :		
Shares	2,000	2,000
Other non operating income Comprises :		
Rental Income	2,400,000	2,400,000
Sale of Scrap	1,273,752	2,578,950
Repair Charges	339,080	78,792
Technical Support Charges	-	219,360
Others	-	56,475
	<u>4,107,527</u>	<u>5,450,655</u>
<b>Note No.20</b>		
<b>Cost of Material Consumed:</b>		
Opening Stocks Raw Materials & Stores:	18,912,974	12,145,357
Add: Raw Material & Stores Purchases	124,293,963	144,805,192
	<u>143,206,937</u>	<u>156,950,549</u>
Closing Stocks Raw Material & Stores	14,622,399	18,912,974
	<u>128,584,538</u>	<u>138,037,574</u>
<b>Note No.21</b>		
<b>Purchases of Stock in Trade</b>		
Opening Stocks of Trading Goods	7,855,168	4,163,322
Add Purchases	14,403,019	21,673,280
	<u>22,258,187</u>	<u>25,836,602</u>
Closing Stock	10,786,143	7,855,168
	<u>11,472,044</u>	<u>17,981,434</u>
<b>Note No. 22</b>		
<b>Changes in Inventory of Finished goods, Work-in-progress and Stock in trade</b>		
Opening Stocks :		
Materials in Process	2,042,387	5,702,578
Finished Goods	10,797,812	11,464,614
	<u>12,840,199</u>	<u>17,167,192</u>
Less : Closing Stocks :		
Materials in Process	2,462,378	2,042,387
Finished Goods	16,674,671	10,797,812
	<u>19,137,049</u>	<u>12,840,199</u>
	<u>(6,296,850)</u>	<u>4,326,993</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

	As at 31st March 2012	As at 31st March 2011
<b>Note No.23</b>		
<b>EMPLOYEE BENEFIT EXPENSES :</b>		
Salaries, Wages, Bonus & Gratuity	46,731,802	45,191,000
Contribution to Provident & other funds & schemes	2,865,132	2,964,700
Welfare Expenses	4,086,789	3,501,900
	<u>53,683,723</u>	<u>51,657,600</u>
<b>Note No.24</b>		
<b>FINANCE COST :</b>		
Interest - Banks	2,722,391	2,019,100
Bank Charges	913,024	618,700
	<u>3,635,415</u>	<u>2,637,800</u>
<b>Note No.25</b>		
<b>OTHER EXPENSES :</b>		
Component Processing and other charges	8,606,597	9,186,900
Power, Fuel & Water Charges	2,875,629	2,699,700
Octroi, Transportation & Forwarding, etc.	3,294,433	2,375,100
Conveyance & Traveling	4,762,147	3,814,300
Reimbursement of Corporate Exp.	1,800,000	1,800,000
Printing & Stationery	1,041,726	802,400
Postage & Telephone	833,990	1,140,000
Cash Discount	2,172,222	2,117,500
Maintenance & Repairs :		
Machinery	187,831	187,700
Building	1,233,307	1,568,800
General	499,800	
	<u>1,920,938</u>	211,000
Insurance & Keyman Insurance	2,138,558	2,056,700
Rent, Rates & Taxes	1,128,502	2,115,000
Excise Duty Paid	1,016,546	647,000
Sales Tax Paid	2,120,750	402,000
Discounts	2,384,179	2,572,000
Bad Debts & Misc Written Off	2,816,136	259,000
Legal & Professional Charges	2,943,905	2,174,000
Advertisement & Publicity	195,999	103,000
Sales Commission	1,732,581	124,000
Sales Promotion	1,096,456	228,000
Miscellaneous Expenses	3,316,678	4,374,000
Expenses Capitalised	(49,000)	(345,000)
	<u>48,148,973</u>	<u>40,610,000</u>





## NOTE NO. 26

## SIGNIFICANT ACCOUNTING POLICIES

**1 BACKGROUND**

KAYCEE INDUSTRIES LIMITED is a manufacturing and trading company in the field of industrial switches, counters, water meters, electrical components, etc.

**2 BASIS OF PREPERATION OF FINANCIAL STATEMENT**

- a) The financial statements are prepared under the historical cost convention, on an accrual basis, in conformity with the accounting principles generally accepted in India and in accordance with the accounting standards referred to in section 211 (3C) of the Companies Act, 1956 ('the Act') The accounting policies applied by the company are consistent with those used in previous year except for the change in policy explained below

During the year ended March 31, 2012 the revised schedule VI notified under the Companies Act, 1956 has become applicable to the company for preparation of its financial statements. Except accounting for dividend on investment in subsidiary companies the adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. The company has also reclassified the previous year figures in accordance with requirements applicable in current year.

- b) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the year. Actual results could differ from those estimates.

**3 REVENUE RECOGNITION:**

Sales are recognized when goods leave from factory premises and are recorded net of returns, trade discounts, rebates, sales tax & excise duty where ever applicable. And interest accrues on the time basis determined by the amount outstanding and the reate applicable.

**4 EMPLOYEE BENEFITS**

- l) **Short Term Employees Benefits:**

All short term employee benefits such as salaries, wages, bonus, short term compensated absences, awards, ex gratia, performance pay, medical benefits, which fall due within 12 months of the period in which the employee renders the related service which entitles him to avail such benefits and non accumulating compensated absences are recognized on an undiscounted basis and charged to profit and loss account

ii) **Post Employment Benefit:**

a) **Defined Contribution Plan**

Company's contribution to the provident fund based on a percentage of salary made to Provident Fund Trust, which are administered by the trustees.

b) **Defined Benefit Plan**

**Gratuity:**

The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under this plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium on Projected Unit Credit Method, which is required to be paid by the Company and is debited to the profit and loss account on an accrual basis. Actuarial gains or losses arising during the year are recognized in the profit and loss account.

Leave encashment is provided for on the basis of an actuarial valuation carried out by an Actuary at the end of each financial year and debited to the profit and loss account.

5 **Inventories**

Inventories of Raw Material, Components, Material in Process, Finished goods and traded goods are stated 'At Cost or Net Realizable value' whichever is lower. Stores & Packing materials are stated 'At or below cost'. Cost of inventories comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Company has used FIFO method for valuation. Finished goods are inclusive of excise duty.

6 **Fixed Assets**

**Tangible Assets**

Fixed assets are stated at cost less accumulated depreciation, amortization and impairment loss if any. The company capitalizes direct costs including taxes, duty, freight and incidental expenses attributable to the acquisition and installation of fixed assets. Capital work-in-progress is stated at cost.

**Depreciation**

Depreciation is provided using the written down value method in accordance with the schedule XIV of the Companies Act, 1956. Fixed assets with estimated useful life of less than 1 year or one time use are fully depreciated in the year of acquisition. Depreciation on assets acquired and disposed off during the year is provided on a pro-rata basis from/up to the date of acquisition / disposal.

7 **Impairment Policy**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price or its fair value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

**8 INVESTMENTS**

Investments that are readily realizable and intend to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Long term investments are stated at cost less any diminution in their value, which is other than temporary. Current assets are stated at lower of cost and market value. Unquoted long term investments are valued at lower of cost or latest available break up value.

**9 RESEARCH AND DEVELOPMENT**

Revenue expenditure on research and development is charged against the profit of the year in which it is incurred. Capital expenditure on research and development is shown as an addition to Fixed Assets.

**10 FOREIGN CURRENCY TRANSACTION**

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at year-end rates. The exchange difference on restatement of monetary assets and liabilities and realized gains and losses on foreign exchange transactions other than those relating to fixed assets are recognized in the profit and loss account. Exchange difference in respect of liabilities incurred to acquire fixed assets is adjusted to the carrying amount of such. Fixed assets

**11 SEGMENT REPORTING POLICIES**

Identification of segment is based on the major manufacturing products.

**12 EARNING PER SHARE**

Basic and diluted earnings per share are calculated by dividing the net profit/ loss for the year by the weighted average number of equity shares outstanding during the period.

**13 PROVISIONS**

A provision is recognized when the company has a present obligation resulting from past events and it is probable that an outflow of resources will be required to settle the obligation for which a reliable estimate can be made. Provisions are based on management's best estimate of the amount required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect revision in estimates. The company has decided to provide Bad and doubtful debts if debtors remain outstanding over and above one year.

**14 INCOME TAX**

- a) Tax on income for the current period is determined on the basis of taxable income after considering the various deductions available under The Income Tax Act, 1961.
- b) Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on prevailing enacted or subsequently enacted regulations.
- c) Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax

assets can be realized. At each reporting date the company reassesses the unrecognized deferred tax assets and reviews the deferred tax assets recognized.

- 15 Estimated value of contracts (Net of Advances) to be executed on capital account and provided for Rs.50.35 Lacs (Previous year Rs.4.29 Lacs).
- 16 Company has not provided contingent liability of Rs. 3.96 Lacs against Central Excise assessment for year 2007- 2008, and Liability towards pending c forms have not been provided on account of uncertainty.
- 17 Pakistan unit of the Company continues to be under the control of Pakistan Government. It has not been possible to establish any communication with the said unit so far. Therefore, statement of Assets and Liabilities as at 30th June 1964 based on the last reports received have been incorporated in the Balance sheet as pre devaluation rate of rate of exchange.

18 **PAYMENT TO THE AUDITORS :**

INCLUSIVE OF SERVICE TAX.

	2011-2012 Rupees	2010-2011 Rupees
a) As Audit Fee - Statutory	196,630	193,020
b) In other capacities:		
i) For Certification	271,267	199,200
ii) For Provident Fund & Gratuity Audit	11,236	11,000
iii) Tax Audit Fees	56,180	55,100
iv) Vat Audit Fees	73,034	71,600
c) Expenses reimbursed	18,000	6,500

19 **MANAGERIAL REMUNERATION :**

Salary and Allowances	2,200,600	900,300
Perquisites	Nil	
Contribution to Statutory Funds	100,800	50,400
Commission	Nil	

Note : The Above Remuneration Paid is In Excess of Limits Prescribed U/S 309 of The Companies Act 1956 and is subject to necessary Subsequent approval.

- 20 Details of Licensed and Installed Capacity, Production, Stock and Turnover.



**20 A Licensed And Installed Capacity And Production:**

	Licensed Capacity Nos.	Installed Capacity Nos.	Actual Production Nos.
a) Rotary Switches	Not Specified	Not Applicable	915,166 (946,550)
b) Micro Switches	Not Specified	Not Applicable	669,577 (620,891)
c) Counters:	Not Specified	Not Applicable	81,789 (87,699)
d) Water Meters	Not Specified	Not Applicable	102 (234)
e) Others	Not Specified	Not Applicable	1,453,081 (1,591,797)

**20 B TURNOVER:**

	Unit Nos.	2011-2012 Amount Rs.	Unit Nos.	2010-2011 Amount Rs.
<b>MANUFACTURED GOODS.</b>				
a) Rotary Switch	925667	192,552,112	946543	188,522,435
b) Micro Switches	647695	37,798,000	644985	35,288,884
c) Counters	79713	20,767,556	94079	22,598,009
d) Water Meters	102	868,330	234	1,116,110
e) Others	1356065	12,692,813	1582774	23,962,401
TRADED GOODS	70742	18,703,475	93720	29,265,406
<b>Total :-</b>	<b>3079984</b>	<b>283,382,286</b>	<b>3362335</b>	<b>300,753,246</b>



**20 C OPENING STOCK AND CLOSING STOCK OF FINISHED GOODS:**

		Opening Stock		Closing Stock	
	Qty Nos.	Value Rs.	Qty Nos.	Value Rs.	
a) Rotary Switch	83238 (83231)	8,792,473 (6,235,507)	72737 (83238)	8,738,304 (8,792,473)	
b) Micro Switches	37702 (61796)	1,041,051 (1,911,348)	59584 (37702)	2,475,795 (1,041,051)	
c) Counters	4502 (10882)	865,679 (2,034,226)	6578 (4502)	1,380,662 (865,679)	
d) Water Meters	01 (01)	3,534 (13110)	01 (01)	7,470 (3534)	
e) Others	24506 (15483)	95,075 (1,270,423)	121522 (24506)	4,072,441 (95,075)	

**20 D DETAILS OF TRADING ITEM :**

	Unit Nos.	2011-2012 Amount Rs.	2010-2011 Unit Nos.	Amount Rs.
a) Opening Stock	75264	7,855,168	62007	4,163,322
b) Purchases	150967	14,403,019	106977	21,673,280
c) Turnover	70742	18,703,476	93720	29,265,406
d) Closing stock	155489	10,786,143	75264	7,855,168

**20 E DETAILS OF RAW MATERIALS & STORES CONSUMED:**

	Qty	2011-2012 Value Rs.	2010-2011 Qty	Value Rs.
a) Bimetal Tips & Components	6447154	14,434,362	6410406	20,317,904
b) Copper & PB	4652	2,416,866	10779	7,203,715
c) Brass	1877	568,704	3108	1,241,760
d) Steel & aluminum	44714	2,735,910	49472	2,825,615
e) Plastic Powder & Moulding Component	150235	3,343,819	661601	2,275,348
f) Motors	18665	3,985,335	14858	2,922,590
g) Others		101,099,542		101,250,643
		<u>128,584,538</u>		<u>138,037,575</u>



20 F VALUE OF IMPORTS (C.I.F.):	2011-2012 Rupees	2010-2011 Rupees
a) Raw Materials	781,606	6,814,080
b) Finished Goods (Trading)	8,836,285	12,648,478

**20 G CONSUMPTION OF RAW MATERIALS & STORES**

	2011-2012		2010-2011	
	Percentage Of Total Consumption	Amount Rupees	Percentage of Total Consumption	Amount Rupees
a) Imported	0.61%	781,606	4.94	6,814,080
b) Indigenous	99.39%	127,802,932	95.06	131,223,495

21 EARNING IN FOREIGN CURRENCY:	2011-2012 Rupees	2010-2011 Rupees
a) F.O.B. Value of Exports	6,864,639	5,776,010

22 EXPENDITURE IN FOREIGN CURRENCY:	2011-2012 Rupees	2010-2011 Rupees
a) Foreign bank charges	80,929	53,910
b) Brokerage & Commission	130,536	125,171
c) Foreign Travel	155,522	Nil

**23 Employee Benefits**

With effect from 1st April 2007, the company has adopted revised Accounting Standard 15 "Employee Benefits". Pursuant to the adoption, no adjustment was required to be made to general reserve of revised As -15 as the impact was insignificant.

As per Accounting Standard 15 "Employee Benefits", the disclosure of Employee benefits as defined in the Accounting Standard are given below:

**I Defined Contribution Plan**

Contribution to Defined Contribution Plan, Recognized as expenses for the year as under :

	2011-12 Rupees	2010-11 Rupees
Employer's Contribution to Provident Fund	1,260,271	1,210,919
Employer's Contribution to Pension Fund	918,093	1,002,357



The Company's Provident Fund is Exempted under section 17 of Employees' Provident Fund Act, 1952. Condition of grant of exemption stipulates that the employer shall make good deficiency, if any, in the interest rate declared by the trust vis- a vis statutory rate.

**II Defined Benefit Plans**

Under both the Gratuity and Leave Encashment, The Present Value of Obligation is determined based on actuarial valuation using the projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

PARTICULARS	AS AT 31.03.2012		AS AT 31.03.2011	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Unfunded	Funded	Unfunded
<b>A. Changes in Present Value of Obligation</b>				
Present Value of Obligation	12499232	2692622	12798461	2701689
Interest Cost	999939	222141	1023877	222889
Current Service Cost	1900468	383304	1877583	417623
Benefit Paid	2043689	680905	2229149	742023
Actuarial Gain/Loss on Obligations	539342	-244713	-971540	92444
Present Value of Obligation	12816608	2861875	12499232	2692622
<b>B. Fair Value of Plan Assets</b>	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Unfunded	Funded	Unfunded
Fair Value of the Plan Assets	9943030	N.A	9361526	N. A.
Expected return on Plan Assets	996256	N.A	858562	N. A.
Contributions	3252665	N.A	1952091	N. A.
Benefits Paid	2043689	N.A	2229149	N. A.
Actuarial Gain/Loss on Plan Assets	NIL	N.A	NIL	N. A.
Fair Value of the Plan Assets	12148262	N.A	9943030	N. A.
<b>C. Amount Recognized in the Balance Sheet.</b>	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Unfunded	Funded	Unfunded
Present Value of Obligation	12816608	2861875	12499232	2692622
Fair Value of the Plan Assets	12148262	N.A	9943030	N. A.
<b>D. Reconciliation of Balance Sheet.</b>	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Unfunded	Funded	Unfunded
Present Value of Obligation	12499232	2692622	12798461	2701689
Total Expenses recognized in Profit & Loss A/c	1437559	850158	1733810	732956
Actuarial Gain/Loss	2132482	N.A	-80948	N. A.
Employer's Contribution	3252665	680905	1952091	742023
Present Value of Obligation	12816608	2861875	12499232	2692622





E. Assumptions	Gratuity Funded	Leave Encashment Unfunded	Gratuity Funded	Leave Encashment Unfunded
	996256	N.A	858562	N.A
Actuarial Return on Plan Asset				
Mortality Table	LIC (1994-96)	LIC (1994-96)	LIC (1994-96)	LIC (1994-96)
	Ultimate	Ultimate	Ultimate	Ultimate
	8%	8.75%	8%	8.25%
Discount Rate				
Expected Rate of Return on Plan Assets	8%	N.A	8%	N.A
Salary Escalation	4%	6%	4%	6%

Fare value of plan assets at the end of period Rs 12,148,262/- is funded fully with Life Insurance Corporation of India

24 During the year, the company has taken physical verification of fixed assets and noted discrepancy of Rs Nil (W.D.V.) (P. Y. 0.28 Lacs) of Fixed Assets and the same were adjusted and discarded in the books of accounts

25 Disclosure of Related Parties / Transactions With Related Parties:-

Relationship	Name of Related Party
Holding companies	Money Ease Capital Private Limited CMS Traffic Systems Limited
Subsidiary companies	RDJ Construction Private Limited
Group Company (Enterprise over which Director and/or his relatives has significant influence)	Jess Prasad Engg. And Metallurgical Services Pvt. Ltd. CMS Energy Systems Private Limited CMS Engineering Services Private Limited G.G. Constructions Private Limited Datacom Computer Services Private Limited CMS Computers Limited CMS Info Systems Pvt. Ltd. CMS Securitas Limited Dynamic Hydro Machines Private Limited Mailtek Services (India) Limited Netprint Solution India Private Limited New Video Private Limited CMS – Ident Pvt. Ltd. Systeme Computers System Limited Computer Products and Services Pvt. Ltd. Dominant Developers Pvt. Ltd. Acu-Soft Technologies Pvt. Ltd. Cable Network Systems Pvt. Ltd. CMS-DITL Ltd. Computer Maintenance Service



Royal Virgo Travels  
 CMS Net print (Private) Limited, Srilanka  
 Research InfoTech Pvt.Ltd  
 Royal Virgo  
 Systime Computers Limited  
 Resergent InfoTech Private Limited  
 CMS Marshall Ltd.

Key Management Personnel (KMP) Mrs. Raju R. Grover  
 Ms. Aarti R. Grover  
 Mr. Aaloke Ghosh

Sr. No	Name of the Related Party	Relationship	Nature	Amount Rs.	O/S as on 31.03.2012	
<b>I</b>	<b>Holding Companies</b>					
1	CMS Traffic Systems Ltd.	Holding Company	Sales	6880751.67 (7012632.61)	7565158.62 Dr.	
2	CMS Traffic Systems Ltd.	Holding Company	Reim. Of Elect. Chrgs	161236 (115131)	(7256264.01) Dr.	
<b>II</b>	<b>Group Companies</b>					
3	CMS Computers Limited	Associate Co.	Reim. Of Elect. Chrgs	1864405 (1596039)	10069700.53 Cr. (8130998.51) Cr	
4	CMS Computers Limited	Associate Co.	Rent Received	2647200 (2647200)		
5	CMS Computers Limited	Associate Co.	Travelling Charges paid	73121 (NIL)		
6	CMS Computers Limited	Associate Co.	Telephone Charges Paid	NIL (212864)		
7	CMS Computers Limited	Associate Co.	Sales	2370859.89 (4248153.95)		
8	CMS Computers Limited	Associate Co.	Purchases	NIL (188080)		
9	CMS Computers Limited	Associate Co.	Fixed Assets Purchased	81000 (NIL)		
10	CMS Computers Limited	Associate Co.	Labour Chrgs Paid	993 (NIL)		
11	CMS Computers Limited	Associate Co	Reim of Corp. Exp.	1985400 (1985400)		
12	Systime Computer System Limited	Group Co.	Technical Chrgs. Paid	NIL (NIL)		339657 Cr. (339657) Cr.
13	CMS Info System Pvt. Limited	Associate Co	Sales	1116584.13 (NIL)		944557.99 Dr (1715066.10) Cr.
14	CMS Info System Pvt. Limited	Associate Co	Printing Charges	12748.74 (NIL)	Cr.	
15	Royal Virgo Travels	Director's firm	Interest on Loan	264322 (263610)	2000000 Cr. (2000000) Cr.	
<b>III</b>	<b>Relative of Key management Person</b>					
16	Ms. Aarti Grover	Director's Daughter	Salary & Perquisites	2200600 (1500600)	Nil (Nil)	



- Rs. NIL in respect of the related parties have been written off are provided during the year
- Related party relationship have been identified by the management and relied upon by the auditors
- 26 The equity shares of the company are listed in Bombay Stock Exchange and company has paid annual listing fees to the stock exchange for the year 2011-2012.
- 27 During the year the Company has reviewed Accounts Receivable and decided to written off Rs. 14.50 Lacs (P.Y. 9.95 Lacs) as bad debts.
- 28 Segment wise Reporting as per Note No. 27
- 29 In the opinion of the Board Current Assets, Loans & Advances have a value on realization in the ordinary Course of Business at least equal to the amount at which they are stated in accounts and all current liabilities have been provided for.
- 30 Sundry Debtors and Creditors are subject to confirmation and reconciliation if any.
- 31 Previous Years figures have been regrouped / rearranged wherever necessary.

As per our report of even date attached

**For N.D. KAPUR & CO.**  
**Chartered Accountants**  
Firm's Registration No: 001196N

**S. K. AGRAWAL**

Partner  
Mumbai  
Dated: 29<sup>TH</sup> August 2012

Managing Director  
(Aarti Grover)

Director  
(Raju R. Grover)



## NOTE NO. 27

1. Segments have been identified in line with the accounting standard on segment reporting (AS-17) taking into account the organisation's product revenue.
2. The company recognise switches as primary segment.
3. Assets used in the company's business or liabilities contracted have not been identified to any of the reportable segments as assets are used interchangeably between segments.

Management believes that it is not practicable to provide segment disclosure relating to total assets and total liabilities, since a meaningful segregation of available data could be onerous.

## SEGMENTWISE REPORTING

	2011-12	2010-11
1. Segment Reserve		
( Net Sale/ Income from)		
a. Segment - Switches	199,356,501	222,996,445
b. Segment - Counters	18,793,871	20,491,803
c. Segment - Others	33,476,760	25,285,489
<b>TOTAL</b>	<b>251,627,132</b>	<b>268,773,737</b>
Less : Intersegment Reserve	-	-
	<b>251,627,132</b>	<b>268,773,737</b>
2. Segment Results (Profit)(+)/Loss(-) before tax and interest from segment		
a. Segment - Switches	48,298,738	50,202,364
b. Segment - Counters	9,340,862	9,336,692
c. Segment - Others	11,066,404	5,218,306
<b>TOTAL</b>	<b>68,706,003</b>	<b>64,757,362</b>
Less : (i) Interest	3,635,415	2,637,894
(ii) Other unallocable expenditure net off unallocable income	51,285,796	45,536,161
<b>Total Profit before Tax (Loss)</b>	<b>13,784,792</b>	<b>16,583,308</b>

For N.D. KAPUR &amp; CO.

Chartered Accountants

Firm's Registration No: 001196N

S. K. AGRAWAL

Partner

Managing Director  
(Aarti Grover)Director  
(Raju R. Grover)

Mumbai

Dated: 29<sup>TH</sup> August 2012



## **RDJ CONSTRUCTIONS PRIVATE LIMITED**

Regd. Office: CMS Lake Road Center, 70, Lake Road, Kaycee Industrial Compound, Bhandup  
(West), Mumbai 400 078.

---

### **DIRECTORS' REPORT**

To  
The Members,

Your Directors present herewith the TWELTH ANNUAL REPORT of the Company along with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2012.

#### **1. FINANCIAL RESULTS AND REVIEW OF OPERATIONS:**

During the year under review, the Company has incurred expenditure of Rs.40,480/- and as a result of no income, the same has resulted in loss of Rs. 40,480/- which is carried forward to the balance sheet.

#### **2. DIVIDEND**

In view of loss, your Directors do not recommend any dividend for the year ended on 31<sup>st</sup> March, 2012.

#### **3. AUDITORS:**

The Auditors of the company, M/s. Basant Jain & Associates, Chartered Accountants, retire at the conclusion of Annual General Meeting and are eligible for re-appointment. Your directors recommend their appointment as Statutory Auditors of the Company.

#### **4. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the accounts for the Financial Year ended 31<sup>st</sup> March 2012, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the Loss of the company for the year under review;



- c) That the Directors 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 frauds and other irregularities;
- d) That the directors have prepared the accounts for the Financial Year ended 31<sup>st</sup> March 2012 on a going concern basis.

**5. FIXED DEPOSIT:**

The Company has not accepted any fixed deposits from the public as per provisions of the Companies Act, 1956 along with the relevant Deposit rules.

**6. PARTICULARS OF EMPLOYEES:**

The Company has no Employee on its rolls under Section 217(2-A) of the Companies Act, 1956 and therefore the provisions for disclosure of Employees particulars under above section of the Companies Act, 1956 is not applicable.

**7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS/OUTGO:**

There is no operation in the company during the Financial Year. Therefore the details pertaining to conservation of energy and technology absorption are not applicable to the company.

There was no Foreign Exchange Earnings and Outgo during the financial year.

**8. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their deep sense of appreciation for all those who were associated with the Company during the year under review.

For and on behalf of the Board of Directors  
of RDJ Constructions Private Limited

Director  
( Aarti Grover )

Director  
(Raju R. Grover)

Place : Mumbai  
Date : 02/07/2012



## AUDITOR'S REPORT

To,  
The Members of **RDJ CONSTRUCTIONS PRIVATE LIMITED**

We have audited the attached Balance Sheet of **RDJ CONSTRUCTIONS PRIVATE LIMITED** as at 31<sup>st</sup> March, 2012 and also the Profit & Loss Account for the year ended on that date annexed thereto.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Provisions of Companies (Auditor's Report) Order, 2003 (the order), issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956 are not applicable to the company as none of the conditions specified in sub clause 2(iv) of the paragraph 1 of the order is applicable to company.

We further state that :

- i) 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.
- ii) In our opinion, proper books of accounts, as required by law, have been kept by the company so far as appears from our examination of those books.
- iii) The balance sheet and profit and loss account dealt with by report are in agreement with the books of account of the company.
- iv) In our opinion, the balance sheet and profit and loss account dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
- v) On the basis of written representation received from the directors, as on 31<sup>st</sup> March, 2012 and taken on record by the board of directors. We report that none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.



- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- a) in the case of balance sheet, the state of affairs of the Company as at 31<sup>st</sup> March, 2012 and
- b) in case of the profit and loss account, of the loss for the year ended on that date.

For Basant Jain & Associates  
(Chartered Accountants)

Place: Mumbai  
Date: 02/07/2012

(Basant K Jain)  
Proprietor  
Membership Number - 43791





**RDJ CONSTRUCTIONS PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2012**

	Note No	As at 31st March 2012	As at 31st March 2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUND</b>			
a) Share Capital	3	100,000	100,000
b) Reserves & Surplus	4	(117,366)	(76,887)
<b>NON CURRENT LIABILITIES</b>			
a) Long Term Borrowings	5	29,831,693	28,246,744
<b>CURRENT LIABILITIES</b>			
a) Trade Payable		5,561,273	5,597,000
b) Short Term Provisions	6	22,721	35,831
<b>TOTAL</b>		<u><u>35,398,321</u></u>	<u><u>33,902,688</u></u>
<b>II. ASSETS</b>			
<b>NONCURRENT ASSETS</b>			
a) Fixed Assets	7	870,578	870,577
Tangible Assets			31,641,544
b) Long Term Loans & Advances	8	33,328,593	
<b>CURRENT ASSETS</b>			
a) Cash and bank balance	9	192,500	383,917
b) Short Term Loans & Advances	10	1,000,000	1,000,000
c) Misc Expenditure		6,650	6,650
<b>TOTAL</b>		<u><u>35,398,321</u></u>	<u><u>33,902,688</u></u>
<b>III. NOTES FORMING PART OF THE FINANCIALS STATEMENTS</b>			
	1 to 16		

As per our report attached  
For **Basant Jain & Associates**  
Firm Registration No-120131W  
Chartered Accountants

Proprietor  
Basant K. Jain

Director  
(Aarti Grover)

Director  
(Raju R. Grover)

Place: Mumbai  
Date: 02/07/2012



## RDJ CONSTRUCTIONS PRIVATE LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE ENDED MARCH 31, 2012

	Note No	As at 31st March 2012	As at 31st March 2011
I. REVENUE FROM OPERATIONS		-	-
II. OTHER INCOME		-	-
<b>TOTAL REVENUE</b>		<u>-</u>	<u>-</u>
III. EXPENSES			
Operation and othe Expenses	11	40,208	16,387
Finance Costs	12	272	956
Depreciation and amortisation Expenses	7	-	-
<b>TOTAL EXPENSES</b>		<u>40,480</u>	<u>17,343</u>
IV. PROFIT BEFORE TAX		<b>(40,480)</b>	<b>(17,343)</b>
V. TAX EXPENSES			
a) Current tax		-	-
b) Deferred tax		-	-
		<u>-</u>	<u>-</u>
VI. PROFIT FOR THE YEAR		<u><b>(40,480)</b></u>	<u><b>(17,343)</b></u>
VII. EARNING PER EQUITY SHARE: Basic and diluted	13	(4.05)	(1.73)
VIII. NOTES FORMING PART OF THE FINANCIALS STATEMENTS		1 to 16	

As per our report attached  
 For **Basant Jain & Associates**  
 Firm Registration No-120131W  
 Chartered Accountants

Proprietor  
 Basant K. Jain

Director  
 (Aarti Grover)

Director  
 (Raju R. Grover)

Place: Mumbai  
 Date: 02/07/2012



**RDJ CONSTRUCTIONS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENT**

(All figures in Indian Rupees)

**NOTE 7 : FIXED ASSETS**

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Cost as on 1.4.2011	Additions	Deductions	As at 31.03.2012	As at 1.4.2011	Provided for the year during the year	As at 31.03.2012	As at 31.03.2012	As at 31.3.2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Tangible</b>									
PLOT AT KHOPARKHAIRNE	870,577			870,577			870,577	870,577	870,577
LAND AT BHANDUP	-	1		1			1	1	-
<b>Total</b>	<b>870,577</b>	<b>1</b>	<b>-</b>	<b>870,578</b>	<b>-</b>	<b>-</b>	<b>870,578</b>	<b>870,578</b>	<b>870,577</b>
<b>PREVIOUS YEAR</b>	<b>870,577</b>	<b>-</b>	<b>-</b>	<b>870,577</b>	<b>-</b>	<b>-</b>	<b>870,577</b>	<b>870,577</b>	<b>870,577</b>



## RDJ CONSTRUCTIONS PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENT

1 **Background**  
RDJ CONSTRUCTIONS P LTD is a Property Development Company engaged in Real Estate Business

2 **Significant accounting policies**(a) **Basis of preparation**

Accounts are prepared using the historical cost convention and on the basis of going concern, with revenues recognised and expenses accounted on accrual basis.

(b) **Fixed assets**

Fixed Assets are stated mentioned at cost of acquisition inclusive of direct incidental expenditure.

(e) **Income Expenditure**

Income & expenditure are accounted as & when they are earned or incurred.

	As at March 31, 2012	As at March 31, 2011
<b>3) SHARE CAPITAL</b>		
(a) Authorised Capital	100,000	100,000
(i) 10000 equity shares of Rs. 10 each (March 31, 2011 : 10000 equity shares of Rs. 10 each)		
(b) Issued, Subscribed and Paid Up	100,000	100,000
(i) 10000 equity shares of Rs. 10 each (March 31, 2011 : 10000 equity shares of Rs. 10 each)		
	<u>100,000</u>	<u>100,000</u>

**Details of shares held by shareholders holding more than 5 % of aggregate share capital**

(a) **Equity Shares**

Name of Shareholder	Kaycee Industries Ltd	Kaycee Industries Ltd
No of Shares Held	9,990	9,990
Percentage Holding	99.90	99.90

4) **RESERVES & SURPLUS**

(a) Surplus in Statement of Profit & Loss

(i) Opening balance

(76,887)

(59,544)

(ii) Profit for the year

(40,480)

(17,343)

(b) Capital Reserve

1

-

(117,366)

(76,887)



## RDJ CONSTRUCTIONS PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENT

	As at March 31, 2012	As at March 31, 2011
<b>5) LONG TERM BORROWING</b>		
i) <b>Unsecured Loan</b>		
From Directors & Relatives	29,831,693	28,246,744
	<u>29,831,693</u>	<u>28,246,744</u>
<b>6) SHORT TERM PROVISIONS</b>		
Audit Fees Payable	22,721	21,618
TDS Payable	-	14,213
	<u>22,721</u>	<u>35,831</u>
<b>8) LONG TERM LOANS AND ADVANCES</b>		
Advance against Property	33,328,593	31,641,544
	<u>33,328,593</u>	<u>31,641,544</u>
<b>9) CASH AND BANK BALANCE</b>		
(a) <b>Cash and Cash Equivalents</b>		
i) <b>Balance with Banks</b>		
- On current accounts	155,558	349,015
ii) <b>Cash on Hand</b>	36,942	34,902
	<u>192,500</u>	<u>383,917</u>
<b>10) SHORT TERM LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for which value to be received or to be otherwise adjusted		
Other Advances	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>
<b>11) OPERATION AND OTHE EXPENSES</b>		
1 Auditors Remuneration	5,515	5,515
2 Legal & Professional Expenses	26,000	800
3 Printing & Stationary Expenses	250	430
4 Filing Fees	120	90
5 R O C Fees	8,323	9,552
	<u>40,208</u>	<u>16,387</u>



## RDJ CONSTRUCTIONS PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENT

	As at March 31, 2012	As at March 31, 2011
<b>12) FINANCE COSTS</b>		
1 Interest on		
Cash credit	-	728
Others	-	228
2 Bank charges	272	228
	<u>272</u>	<u>956</u>
<b>13) Earning Per Share (EPS)</b>		
Net Profit for the Year	(40,480)	(17,343)
Less: Preference Share Dividend (Including tax)	-	-
Amount Available for Equity Share Holder	(40,480)	(17,343)
Weighted Average number of Shares	10,000	10,000
Earning per Share Basic and Diluted (Rs.)	(4.05)	(1.73)
Face value per Equity Share (Rs.)	10	10

- 14 Sundry debtors, creditors, loans & advances are subject to confirmation & Reconciliation of Balances.
- 15 Figures relating to the Previous Year have been re-grouped, re-casted and re-arranged whenever considered necessary to confirm to the classification of the Current Year and make it comparable with the Current Year figures.
- 16 These financials are prepared in the format prescribed by the Revised Schedule VI to the Companies Act 1956.

As per our report attached  
For **Basant Jain & Associates**  
Firm Registration No-120131W  
Chartered Accountants

Proprietor  
Basant K. Jain

Director  
(Aarti Grover)

Director  
(Raju R. Grover)

Place: Mumbai  
Date: 02/07/2012



**KAYCEE INDUSTRIES LIMITED**

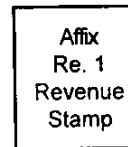
Registered Office: 32, Ramjibhai Kamani Marg, Ballard Estate, Mumbai - 400 001

**PROXY FORM**

Regd. Folio No.....

I / We ..... of ..... being a member/ members of the above named Company hereby appoint ..... or failing him..... as my / our proxy to vote for me/us on my/our behalf at the 69th ANNUAL GENERAL MEETING of the Company to be held on Friday, the 28th September, 2012 at 01.30 p.m. and at any adjournment thereof.

Signed this ..... day of ..... 2012



Signature.....

Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited with the Company's Registered Office not less than 48 hours before the meeting.

**KAYCEE INDUSTRIES LIMITED**

Registered Office: 32, Ramjibhai Kamani Marg, Ballard Estate, Mumbai - 400 001

**ATTENDANCE SLIP**

Sixty Ninth Annual General Meeting, Friday, 28th September, 2012

Regd. Folio No.....

Mr./Mrs./Miss..... I hereby certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the 69th ANNUAL GENERAL MEETING of the Company held at the Jainam Banquet Hall, Jainam Arcade, BTM Compound, 100, LBS Marg, Near SBI, Bhandup (W), Mumbai-400 078, on Friday, the 28th September, 2012 at 01.30 p.m.

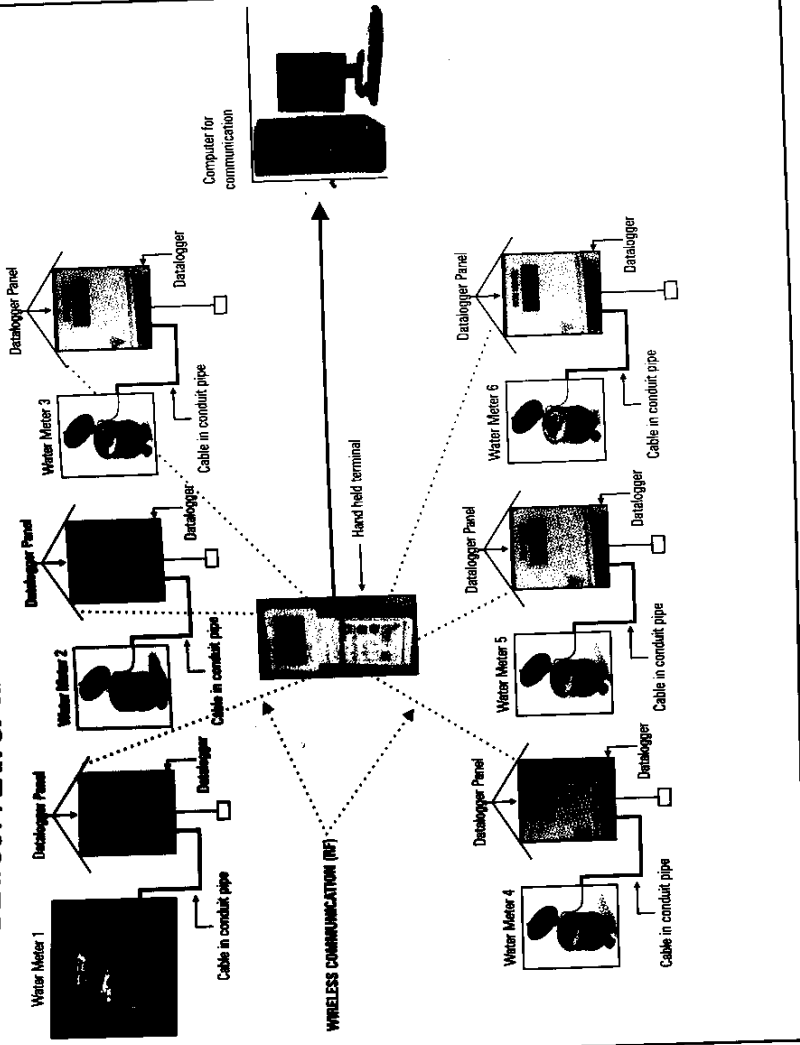
.....  
Member's/ Proxy Name in BLOCK letters

.....  
Member's/Proxy Signature

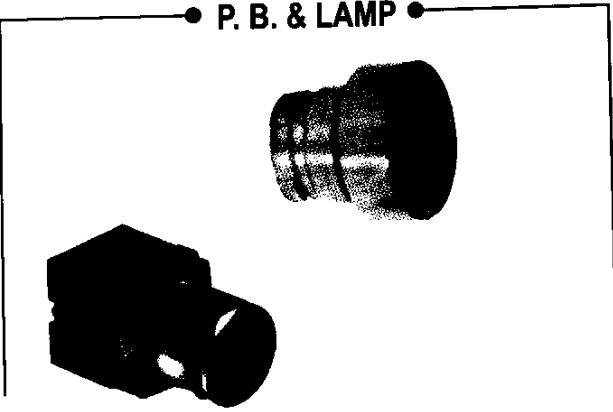
- Note: 1) Please fill in this attance slip and hand it over at the ENTRANCE OF THE HALL.
- 2) Please bring your copy of Annual Report at the meeting.

● WATER METER AUTOMATION RF/GSM/GPRS ●

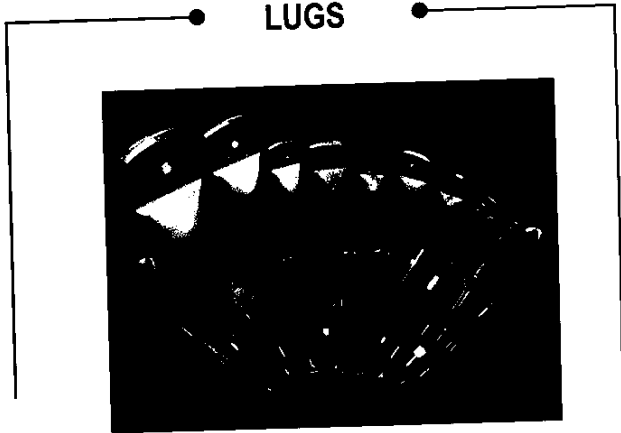
TENTATIVE LAYOUT PLAN OF WATER METER AUTOMATION RF/GSM/GPRS



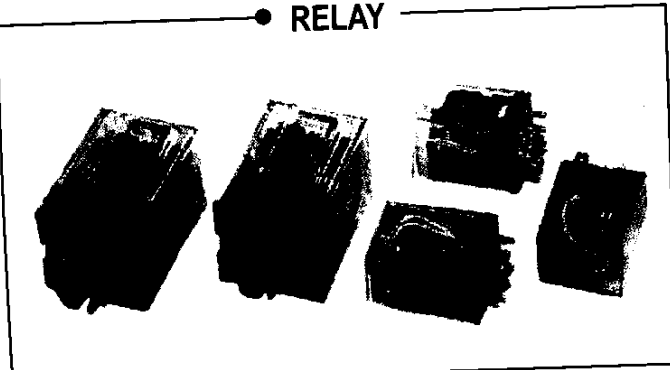
● P. B. & LAMP ●



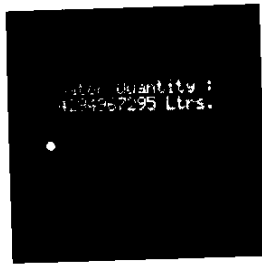
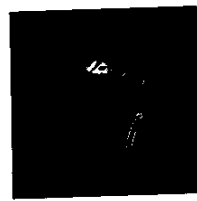
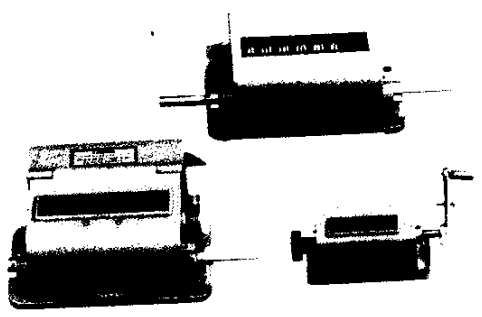
● LUGS ●



● RELAY ●



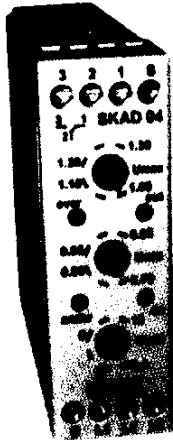
● STROKE & REVOLUTION COUNTER ●



● WATER METER ●



**UNDER & OVER VOLTAGE  
MONITORING DEVICE**



**UNDER & OVER VOLTAGE  
MONITORING DEVICE**



**MULTI FUNCTIONAL  
TIMER**



**TIMER**



**PHASE SEQUENCE &  
PHASE FAILURE  
DEVICE  
WITHOUT NEUTRAL**



**PHASE FAILURE &  
PHASE SEQUENCE  
DEVICE**



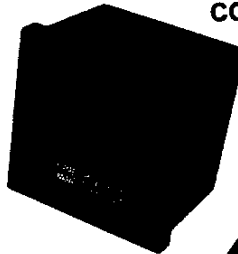
**STAR-DELTA  
DEVICE**



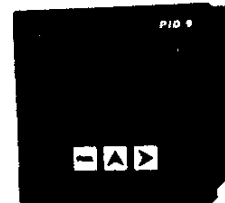
**TEMPERATURE  
CONTROLLER(TC& RTD)**



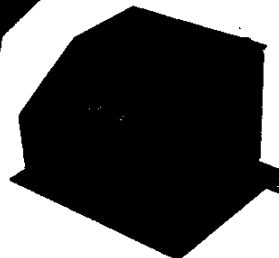
**UNIVERSAL  
COUNTER**



**TEMPERATURE CONTROLLER (PID)**



**DIGICOUNT**



**TEMPERATURE  
INDICATOR**



**DIGITAL TIME  
TOTALIZER**

