

Brand that sets
the standard



KAYCEE INDUSTRIES LTD.

Regd. Office : Old Kamani Chambers, 32, Ramjibhai Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel. : +91 22 2261 3521 / 22 / 23 Fax : +91 22 2261 6106 CIN No. : L70102MH1942PLC006482
Email : kayceeindia@vsnl.com Web. : kayceeindustries.com

FORM A

(Pursuant to Clause 31(a) of Listing Agreement)

| | | |
|-------------------------------|--|--|
| 1. | Name of the Company | Kaycee Industries Limited |
| 2. | Annual Financial Statements for the year ended | 31 st March, 2015 |
| 3. | Type of Audit Observation | Un-qualified |
| 4. | Frequency of observation | Not Applicable in review of the above comment No. 03 |
| 5. | To be signed by | |
| | • Managing Director | <i>Aarti Grover</i> Ms. Aarti Grover |
| | • CFO | <i>Deepak Potdar</i> Mr. Deepak Potdar |
| | • Auditor of the Company | Ref our Audit Report dated 30 th May, 2015 on the financial statements of the company For N. D. KAPUR & CO. Chartered Accountants Firm's Registration No: 001196N <i>S. K. Agrawal</i> S. K. AGRAWAL Partner Membership No. 13968 Mumbai 07, September, 2015 |
| • Audit Committee Chairperson | <i>Sona Ramchandani</i> Mrs. Sona Ramchandani | |



FACTORY :- Plot No. F-25, Addl. Ambarnath Industrial Area, Anand Nagar,
Ambarnath (East), Thane - 4210502



KAYCEE IND. LTD.
ISO 9001 : 2008
FILE NO. : 200812220049



Notice to the Members

NOTICE is hereby given that the SEVENTY SECOND 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 Wednesday , the 30th September, 2015 at 1.30 P.M. to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt Balance Sheet as at 31st March, 2015 and the Profit and Loss Account for the year ended on that date together with reports of Director's and Auditor's thereon.
2. To declare dividend on Equity Shares of the Company
3. To appoint a Director in place of Ms. Aarti Grover, Managing Director who retires by rotation and being eligible, offers herself for reappointment.
4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution to ratification of appointment of Auditors of the Company:

"RESOLVED THAT pursuant to provision of Section 139 of the Companies Act, 2013 and Rules made there under, the appointment of M/S. N.D. Kapur & Co., Chartered Accountant, Mumbai (Firm Registration No. 001196N), as Auditors of the Company approved in the Seventy first Annual General Meeting (AGM) held on 30th September, 2014 till the conclusion of Seventy-Fourth AGM be and is hereby ratified to hold office from the conclusion of the seventy-second AGM till the conclusion of Seventy-Third AGM and that Board of Directors of the Company be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with auditors and that such remuneration may be paid on progressive billing basis to be agreed upon between the Auditors and the Board of Directors."

SPECIAL BUSINESS:

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

"RESOLVED THAT Mrs. Pramila Merani (DIN No. 07002974) who was as an Additional Director of the Company by the Board of Directors with effect from 30th September, 2014 and who holds office up to the date of the forthcoming Annual general Meeting under Section 161 of the Companies Act, 2013 ("the Act") and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provision of Section 149, 152, Schedule IV and other applicable provisions of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any modification(s) or re-enactment(s) thereof for the time being in force), Mrs. Pramila Merani (DIN No. 07002974), a Non-executive Director of the Company , who has submitted a declaration that she meets the criteria for Independence as provided in Section 149(6) of the Act and who is eligible for



appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years from 30th September, 2014.”

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

“RESOLVED THAT Mrs. Savitri Lal Butani (DIN No. 07003047) who was as an Additional Director of the Company by the Board of Directors with effect from 30th September, 2014 and who holds office up to the date of the forthcoming Annual general Meeting under Section 161 of the Companies Act, 2013 (“the Act”) and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provision of Section 149, 152, Schedule IV and other applicable provisions of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any modification(s) or re-enactment(s) thereof for the time being in force), Mrs. Savitri Lal Butani (DIN No. 07003047), a Non-executive Director of the Company, who has submitted a declaration that she meets the criteria for Independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years from 30th September, 2014.”

By Order of the Board of
Kaycee Industries Limited

Sd/-

Kamaleshwari Bind
Company Secretary & Compliance Officer

Registered office :
Old Kamani Chambers,
32- Ramjibhai Kamani Marg,
Ballard Estate, Mumbai- 400 001
Dated : 13th August, 2015

**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/herself and such proxy need not be a member of the Company. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the Company not less than 48 Hours before the time for holding the aforesaid meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregated not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or members.

2. Information about the Directors proposed to be appointed/reappointed as stipulated under Clause 49 of Listing Agreement with the Stock Exchange in India, are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors of the Company recommends the appointments/re-appointments of such Directors.
3. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members/Proxies should bring the enclosed Attendance slip duly filled in for attending the meeting along with a copy of the Annual Report. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf in the meeting.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold the shares in physical form are requested to write their Folio Number(s) in the Attendance Slip for attending the meeting.
6. Members who have shareholdings in multiple accounts in identical names or joint accounts in the same order are requested to send all the shares certificate(s) to the Registrar and Share Transfer Agents, Datamatics Financial Services Limited Plot No.A-16 & 17 part 'B' Cross Lane, MIDC Andheri (E), Mumbai 400 093 for consolidation of all such shareholdings into one account to facilitate better service.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 23rd September, 2015 to Wednesday, the 30th September, 2015 (both days inclusive).
8. The Dividend as recommended by the Board, if sanctioned at the Meeting, will be paid to those Members or their mandates whose names appear in the Register of Members on Wednesday, 30th September, 2015, for those holding shares in physical form. In respect of the shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership as per the details furnished by the Depositories for this purpose at the end of business hours on **23rd September, 2015**.
9. (a) Members are requested to notify change of address, if any, with PINCODE to the Company or to its Registrar and Share Transfer Agents quoting reference of their folio and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.



- (b) In case the mailing address mentioned in this Annual Report is with the PINCODE, members are requested to kindly inform their PINCODE immediately.
10. A member desirous of getting any information on the accounts or operations of the Company or share related matter is requested to forward his/her query(ies) to the Company at least Seven days prior to the meetings so that the required information can be made available at the meeting.
 11. Individual members can now take the facility of making nomination of their holding. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of Shares shall vest in the event of the death of the members and the joint-holder(s), if any. A minor can be a nominee provided the name of the guardian is given in the nomination form. Non-individuals including society, trust, body corporate, partnership firm, karta of Hindu undivided family, holder of Power of Attorney cannot nominate. For further details in this regard members may contact, Datamatics Financial Services Limited, Mumbai, the Registrar and Share Transfer Agents of the Company.
 12. In all correspondence with the Company or with its Registrar and Share Transfer Agents, members are requested to quote their folio number and in case their shares are held in dematerialized form, they must quote their Client ID and their DP ID Numbers.
 13. The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in Corporate Governance” allowing paperless compliance by Companies through electronic mode. Companies are now permitted to send various notices/documents to its members through electronic mode to the registered e-mail addresses of members. Keeping in view the underlying theme and the circular issued by MCA, the Company proposed to send all documents to members like General Meeting Notices (including AGM), Audited Accounts, Director Report, Auditors Report etc. to the members through e-mail. Members holding shares in dematerialized form are requested to register their e-mail ID with their Depository Participants and members holding shares in physical form are requested to register their e-mail ID with Registrar and Share Transfer Agents of the Company i.e , Datamatics Financial Services Limited, Plot No. A-16 & 17, part ‘B’ Cross lane, MIDC, Andheri (E), Mumbai- 400 093 for sending documents through e-mail.
 14. The Notice of the 72nd AGM and instruction for e-voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all the members whose e-mail addresses are registered with the Company/ Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2014-2015 are being sent by permitted mode.
 15. Members may also note that the Notice of the 72nd AGM and the Annual Report 2014-2015 will be available on the Company’s website, www.kayceeindustries.com.
 16. The Securities and Exchanges Board of India(SEBI) vide its Circular dated 21st March, 2013 has provided that companies making cash payments to their investors shall use approved electronic mode of payment such as ECS, NECS, NEFT etc. To enable usage of electronic payment instruments, companies are required to maintain requisite bank details of their investors. Therefore, members of the Company who hold shares in physical form are requested to submit the following information under their signatures to Registrar and Share transfer Agents of the Company i.e Datamatics Financial Services Limited for registering bank details if not already registered earlier:-



- a) Name of the sole/first joint-holder
 - b) Folio Number
 - c) Name of Bank
 - d) Address of the Bank branch with Pin code
 - e) Bank Account No.
 - f) Type of Bank Account whether saving or current
 - g) MICR Code and
 - h) IFSC Code
17. In terms of the provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956), the amount of dividend not encashed or claimed within 7 (Seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2007-08 is due for transfer to IEPF by October 2015. In terms of provisions of Section 124 of the Companies Act, 2013 (Corresponding to Section 205C of the Companies Act, 1956), no claim shall lie against the company for the said Fund after the said transfer.
18. All relevant documents referred in the Notice and statement will be available for inspection by the members at the Registered Office of the Company between 10 A.M to 4 P.M on any working day of the company up to the date of meeting.
19. **Information and other instructions relating to e-voting are as under :**
- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e-voting).
 - (ii) The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 72nd AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Mr. Aashit Doshi, ACS, a Company Secretary in practice as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
 - (iii) The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.
 - (iv) **Voting rights shall be reckoned on the paid-up value of shares registered in the name of member/beneficial owner (in case of electronic shareholding) as on cut-off date i.e 23rd September, 2015.**



- (v) **A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date , i.e 23rd September, 2015 only shall be entitled to avail the facility of remote e-voting/voting at the meeting.**

The instructions for shareholders voting electronically are as under:

The voting period begins on 27th September, 2015 at 9.00 a.m and ends on 29th September, 2015 by 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2015 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on Shareholders. Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical Form should enter Folio Number registered with the Company. Next enter the Image Verification as displayed and Click on Login. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----------------------|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-</p> <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. . ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

After entering these details appropriately, click on "SUBMIT" tab.

Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also



used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

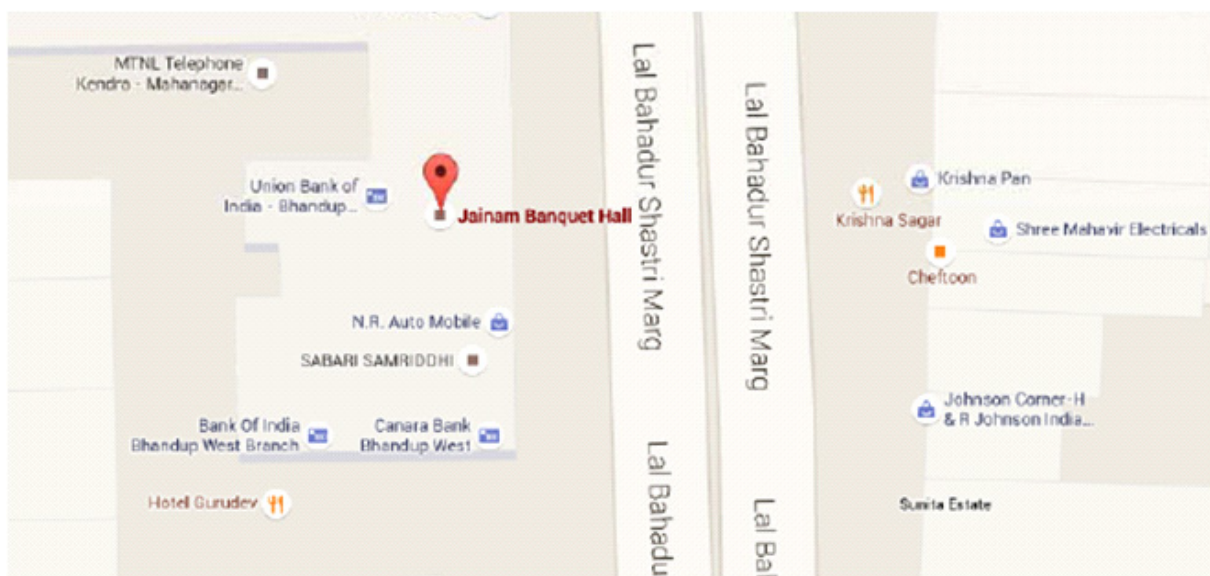
1. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
2. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
3. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
4. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
5. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
6. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
7. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- The Company has appointed, Mr.Aashit Doshi, Practising Company Secretary (Membership No. ACS 28415) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of

conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same

- The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kayceeindustries.com and on the website of CDSL www.evoting.cdsl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") where the shares of the Company are listed.
20. The route map of the venue of the AGM is given herein below. The prominent landmark near the venue is MTNL, Bhandup, Mumbai.





Annexure to the Notice

Explanatory Statement

The following Explanatory statement relating to Special Business at item Nos. 5 & 6 of the accompanying Notice sets out all material facts as required under section 102 of the Companies Act, 2013 ("the Act").

Item No. 5

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161 of the Act, Mrs. Pramila Merani as an Additional Director of the Company with effect from 30th September, 2014.

In terms of the provisions of Section 161 of the Act, Mrs. Pramila Merani will hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of Mrs. Pramila Merani for the office of Director of the Company.

Mrs. Pramila Merani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from Mrs. Pramila Merani that she meets with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of Directors recommends appointment of Mrs. Pramila Merani as Independent Director for five consecutive years with effect from 30th September, 2014 subject to approval of members.

In terms of Section 149 and other applicable provisions of the Act, Mrs. Pramila Merani being eligible, is proposed for appointment as Independent Director for five consecutive years on the Board of the Company.

In the Opinion of the Board, Mrs. Pramila Merani fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. Mrs. Pramila Merani is independent of the management.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Mrs. Pramila Merani is recommended to be appointed as an Independent Director.

Except Mrs. Pramila Merani, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Item No. 6

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161 of the Act, Mrs. Savitri Butani as an Additional Director of the Company with effect from 30th September, 2014.

In terms of the provisions of Section 161 of the Act, Mrs. Savitri Butani will hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of Mrs. Savitri Butani for the office of Director of the Company.



Mrs. Savitri Butani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from Mrs. Savitri Butani that she meets with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of Directors recommends appointment of Mrs. Savitri Butani as Independent Director for five consecutive years with effect from 30th September, 2014 subject to approval of members.

In terms of Section 149 and other applicable provisions of the Act, Mrs. Savitri Butani being eligible, is proposed for appointment as Independent Director for five consecutive years on the Board of the Company.

In the Opinion of the Board, Mrs. Savitri Butani fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. Mrs. Savitri Butani is independent of the management.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Mrs. Savitri Butani is recommended to be appointed as an Independent Director.

Except Mrs. Savitri Butani, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

By Order of the Board of
Kaycee Industries Limited

Sd/-
Kamaleshwari Bind
Company Secretary & Compliance Officer

Registered office :
Old Kamani Chambers,
32- Ramjibhai Kamani Marg,
Ballard Estate, Mumbai- 400 001
Dated : 13th August, 2015



DIRECTORS' REPORT

The Members

Kaycee Industries Limited

Mumbai

Your Directors have pleasure in presenting the 72nd Annual Report and Financial Statements for the Financial Year ended 31st March, 2015.

WORKING RESULTS:

The Company's financial performance, for the year ended March 31, 2015 is summarized below:-

Financial Performance:

| Particulars | 2014-2015(Rs.) | 2013-2014(Rs.) |
|------------------------------------|----------------|----------------|
| Sales & Other Income | 227529425 | 255824426 |
| Profit before Depreciation | (8964720) | 9868880 |
| Less : Depreciation & Amortization | 3012787 | 3692450 |
| Profit/(Loss) Before Taxation | (11977507) | 6176429 |
| Less : Taxation | (579993) | 1858121 |
| Profit/(Loss) after Taxation | (11397514) | 4318309 |

DIVIDEND:

The Directors recommend payment of Dividend of Rs. 5/- Per equity share of Rs. 100 each, amounting to Rs. 3,17,350/- and Dividend distribution tax of Rs. 51,482/- there on equity shares, for the year ended March 31, 2015.

PERFORMANCE REVIEW:

During the year under review, total income of the Company was Rs. 227529425 as against Rs. 255824426 in previous year ended 31st March, 2014. Net loss incurred Rs. 11397514 as against Net Profit of Rs. 4318309 in the preceding year. Your company suffering from loss due to low order received from clients and adverse market conditions. Your Directors are putting in their best efforts to improve the performance of the Company.

The operational performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report

FUTURE OUTLOOK

In the current year, the business of the Company is likely to improve due to better market condition, technological advancements/improvement in the economy particularly in the Manufacturing Sector. Moreover, the company may be diversifying into other related business areas where business potential is much more.

RESERVES

No amount has been transferred in reserves during the current financial year.

**DEPOSITS**

The company has not accepted any deposits from the public during the year under report.

HUMAN RESOURCES

Your Directors wish to place on record their deep appreciation for its human Resources. The Company continues to place tremendous importance on overall development of all its employees.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The unclaimed dividend amount aggregating to Rs. 14,520/- for the financial year on 31st March, 2007 was transferred to the Investor Education and Protection Fund established by the Central Government, during the financial year ended March 31, 2014, pursuant to Section 205C of the Companies Act, 1956.

DISCLOSURE OF PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosure of particulars relating to conservation of energy and technology absorption and foreign exchange earnings and outgo as required by Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is given in **Annexure - I**.

EMPLOYEES

The industrial relations during the year under review have remained cordial and satisfactory. The Board thanks all the Employees for their valuable contribution to the working of the Company.

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees and the Disclosure pertaining to remuneration and other details are set out in the **Annexure - II** to the Directors' Report.

However, as per the provisions of Section 136(1) of the Companies Act, 2013, the Directors' Report is being sent to the shareholders without this Annexure. Shareholders interested in obtaining a copy of the Annexure may write to the Company Secretary at the Company's Registered Office.

CORPORATE GOVERNANCE:

In line with requirement of the Listing Agreement with the Stock Exchanges, Report on Corporate Governance is given in **Annexure -III** along with certificate from M/s. N.D. Kapur & Co., Chartered Accountants confirming compliance with the requirement of Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 134 (5) OF THE COMPANIES ACT, 2013:

The Directors confirm that:

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed by the Company;
- 2) Such accounting policies have been selected and consistently applied and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the loss of the Company for the year ended on that date;



- 3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the applicable provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) Annual accounts have been prepared on a going-concern basis;
- 5) Internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively.
- 6) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

To comply with the composition of the Board of Directors requirement as per section 149 and section 152 of the Companies Act, 2013 and the rules made there under and the applicable provisions of the Listing Agreement, Mrs. Pramila Merani, has been appointed as an Additional Director (Independent) and Mrs. Savitri Butani, has been appointed as an Additional Director (Independent), also complying the requirement of woman director on the Board. Both Mrs. Pramila Merani and Mrs. Savitri Butani shall hold office up to the date of ensuing Annual General Meeting. In terms of the said provisions, the Company has received requisite notice in writing from a member proposing appointment of Mrs. Pramila Merani as an Independent Director for five (5) consecutive years effective from 30th September, 2014 to 29th September, 2019. The Company has also received requisite notice in writing from a member proposing appointment of Mrs. Savitri Butani as an Independent Director for Five (5) consecutive years effective from 30th September, 2014 to 29th September, 2019.

As per the applicable provisions of the Companies Act, 2013, Ms. Aarti Grover, Managing Director, retires by rotation, and being eligible offers herself for reappointment.

The Company has received declaration from all the Independent Directors of the Company, viz Mrs. Pramila Merani and Mrs. Savitri Butani confirming that they meet with the criteria of independence as prescribed under the Companies Act, 2013 and clause 49 of the listing agreement.

All the directors being appointed or re-appointed, have confirmed that they are not disqualified from being appointed as Directors in terms of section 164 of the Companies Act, 2013.

During the year, there is a change in Key Managerial Personnel of the Company, viz. Mr. Deepak Potdar, has been appointed as Chief Financial Officer and Ms. Kamaleshwari Bind as Company Secretary & Compliance Officer.

AUDITORS

The present Auditors of the Company M/s. N.D .Kapur & Co., are retiring at the forthcoming Annual General Meeting of the Company and are eligible for reappointment. The Company has received the requisite certificate from them pursuant to Section 139 and 141 of the Companies Act, 2013 and rules framed there under, confirming their eligibility for re-appointment as Auditors of the Company.

SECRETARIAL AUDIT REPORT

The Board of Directors of the Company has appointed Mr. Aashit Doshi, Practising Company Secretary, Mumbai, to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 and the Companies



(Appointment and Remuneration of Managerial Personnel) Rules, 2014 and their report, viz. Secretarial Audit Report in Form MR-3 is appended to this Report as **Annexure IV**.

Cheque was received with the notice proposing for directorship by the member, but it was not deposited in the Bank.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report is given in **Annexure -V**.

NUMBER OF MEETINGS OF THE BOARD

The Company has complied with the provisions for holding Board Meetings and the gap between any two meetings did not exceed 120 days. During the financial year under review 12 (Twelve) Board Meetings were held during the year. The dates on which the meetings were held are 17.04.2014, 12.05.2014, 30.05.2014, 16.06.2014, 14.08.2014, 23.09.2014, 30.09.2014, 01.11.2014, 14.11.2014, 24.12.2014, 23.01.2015, 14.02.2015.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and remuneration of Key Managerial Personnel and other employees of the Company pursuant to sub-section (3) of section 178 is adopted.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

There are no loans, guarantees or investments falling under section 186 of the Companies Act, 2013. However, there were no investments during the financial year. Other details are mentioned in the Notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)

There are no contracts or arrangements entered into with related parties, except payment of managerial remuneration to Managing Director (MDs). Further, the policy on Related Party Transactions duly approved by the Board of Directors of the Company has been posted on the www.kayceeindustries.com.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

RISK MANAGEMENT POLICY AND INTERNAL FINANCE CONTROL ADEQUACY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks in achieving key objectives of the Company. The Company has developed and implemented Risk Management Policy of the Company to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The internal control systems are commensurate with the nature, size and complexity of the business of the Company. These are routinely tested and certified by Statutory as well as Internal Auditors.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company does not have a networth of ₹ 500 crore or turnover of ₹ 1000 crore or net profit of ₹ 5 crore and accordingly the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has M/S. RDJ Construction Private Limited as Subsidiary Company.

M/s CMS Computers Limited and other group company of CMS group covered under the definition of Associate Companies. Furthermore, company is not having any joint venture .

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT-9 as on 31.03.2015 is appended to this Report as **Annexure VI**

WHISTLE BLOWER POLICY

The Whistle Blower Policy (Vigil Mechanism) was constituted by the Board of Directors of the Company, pursuant to Section 177 of the Companies Act, 2013 and the rules made there under and Clause 49 of the Listing Agreement, to report genuine concerns of Directors and Employees.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the year under review, no complaints were reported to the Board.

APPRECIATION AND ACKNOWLEDGEMENT:

Your Directors wish to convey their thanks to all the Company's valued Customers, Bankers, Vendors, Business Associates, Government Authorities, and Shareholders for their continued support and patronage to the Company.

The Board also expresses its appreciation towards the contribution made by all the Employees of the Company.
By Order of the Board of

Kaycee Industries Limited

Sd/-

Raju Grover

Chairperson

DIN No: 01584366

Place: Mumbai

Date: 13th August 2015



Form AOC - I

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary company

| | | |
|-----|---|----------------------------------|
| 1. | Sl. No. | 1 |
| 2. | Name of the subsidiary | RDJ Construction Private Limited |
| 3. | Reporting period for the subsidiary concerned | 01.04.2014 to 31.03.2015 |
| 4. | Reporting currency | Rupees |
| 5. | Share capital | 100,000/- |
| 6. | Reserves & surplus | 3,430,537/- |
| 7. | Total assets | 39,215,069/- |
| 8. | Total Liabilities | 35,684,532/- |
| 9. | Investments | NIL |
| 10. | Turnover | 121,848/- |
| 11. | Profit before taxation | 95,028/- |
| 12. | Provision for taxation | 37,731/- |
| 13. | Profit after taxation | 57,297/- |
| 14. | Proposed Dividend | NIL |
| 15. | % of shareholding | 99.90 % |



PARTICULAR OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS OF THE COMPANIES) RULES, 2014.

In terms of Section 134 (3) (m) of the Companies Act, 2013 and the Companies (Accounts of Companies) Rule, 2014, your Directors furnish hereunder the additional information, which form part of the Directors' Report:

CONSERVATION OF ENERGY

General awareness is being brought about among the entire work force at Company's plant to reduce the consumption of energy in particular to avoid wastage.

| POWER AND FUEL CONSUMPTION | CURRENT YEAR 31.03.2015 | PREVIOUS YEAR 31.03.2014 |
|-----------------------------------|--------------------------------|---------------------------------|
| a. Ambernath Factory | | |
| Unit (KWH) | 26927 | 17547 |
| Total Amount (Rs.) | 304270 | 201070 |
| Rate/KWH (Average) Rs. | 11.30 | 11.46 |
| b. Bhandup Factory | | |
| Unit (KWH) | 161067 | 238035 |
| Total Amount (Rs.) | 1446900 | 2331819 |
| Rate/KWH (Average) Rs. | 8.98 | 9.80 |

TECHNOLOGY ABSORPTION

The Company's manufacturing process is based on indigenous technology. The Company has not imported any technology during the year.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earning: Rs. 7,405,065/-

Foreign Exchange Outgo: Rs. 2, 15,964/-

By Order of the Board of
Kaycee Industries Limited

Sd/-

Raju Grover

Chairperson

DIN No: 01584366

Place: Mumbai

Date: 13th August 2015

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP'S AND EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-2015:

| Sr. No. | Name of Director | Remuneration | Median Remuneration of Employees | Ratio |
|---------|---------------------------------------|--------------|----------------------------------|-------|
| 1 | Ms. Aarti Grover Managing Director | 1704600 | 256,628 | 6.64 |

2. Percentage increase in remuneration of each Director in the financial year 2014-2015 :

| Sr. No. | Name | Designation | Percentage increase in remuneration |
|---------|------------------|-------------------|-------------------------------------|
| 1 | Ms. Aarti Grover | Managing Director | -6.18% |

3. Percentage increase in the median remuneration of employees in the financial year 2014-2015 is -6.18 %.

4. The number of permanent employees on the rolls of the Company, as on 31st March, 2015 is 169.

5. Relationship between average increase in remuneration and Company performance:

During the year, the total revenue of the Company during the year 2014-15 was Rs. 2275.29 Lacs as compared to Rs. 2558.24 Lacs of previous fiscal year. The Cash Profit/(loss) was Rs. (89.66) Lacs whereas net profit/(loss) after tax was Rs. (113.98) Lacs during the year under review whereas the average increase in remuneration was in line with industry trend and company's performance.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

There is no increase in the remuneration of Key Managerial Personnel in 2014-15. During the year, the total revenue of the Company during the year 2014-15 was Rs. 2275.29 Lacs as compared to Rs. 2558.24 Lacs of previous fiscal year. The Cash Profit/loss was Rs. (89.66) Lacs whereas net profit after tax was Rs. (113.98) Lacs during the year under review.

- 7. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company :**



| Particulars | As on 31st March, 2015 | As on 31st March, 2014 | % Variation |
|------------------------------------|---------------------------|---------------------------|-------------|
| Market Capitalization (Rs in lacs) | 1906.64 | 1730.83 | 10.16 |
| Price Earnings Ratio | -16.73 | 40.08 | -141.74 |

8. Key parameters for any variable component of remuneration of the Executive Directors: None of the Directors remuneration includes any variable component.
9. There are no employees of the Company who received remuneration in excess of the highest paid Director during the financial year 2014-2015.
10. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

By Order of the Board of
Kaycee Industries Limited

Sd/-

Raju Grover

Chairperson

DIN No: 01584366

Place : Mumbai

Date : 13th August 2015



Corporate Governance Report

CORPORATE GOVERNANCE

Corporate Governance is a systems of structuring, operating and controlling a company with a view to achieve long term strategic goals to satisfy its stakeholders including shareholders, creditors, employees, customers and suppliers, as well as complying with the legal and regulatory requirements, apart from meeting environmental and local community needs. It involves defining and implementing a system of rules, processes, procedures and relationships to manage the organization and fulfills its legal & financial obligations and implementing processes that guarantee transparent information to all stakeholders.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your company has always endeavored for bringing excellence in all spheres of its working be it quality control, customer satisfaction, shareholders servicing, relationship with Employees etc. The basic Corporate Governance norms have been adopted at the Board, Management and Operational levels.

Your Company is in compliance with the mandatory requirements of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchange, as detailed below:-

I. BOARD OF DIRECTORS

(A) Composition of Board

The Composition of the Board is in conformity with clause 49 of the Listing Agreement relating to the composition in terms of non executive/Independent directors. The Board of Directors of the Company comprises of 5 Directors with one Promoter (Executive) Director, one Promoter (Non-Executive) Director and Three Independent (Non-Executive) Directors.

(B) Non-Executive Directors compensation and disclosures

No remuneration has been paid to the Non Executive Directors during the year. No stock options were granted to Non Executive Independent Directors.

(C) Other Provisions as to Board and Committees

The meetings are convened by giving appropriate advance notice after obtaining approval of the Chairperson of the Board/Committee. Detailed agenda, management reports and other explanatory statements are circulated in advance in the defined agenda format amongst the members for facilitating meaningful, informed and focused decisions at the meetings.

The meetings of the Board of Directors are normally held at the Company's registered office in Mumbai 12 (Twelve) Board Meetings were held during the financial year 2014-2015. The dates on which the meetings were held are 17.04.2014, 12.05.2014, 30.05.2014, 16.06.2014, 14.08.2014, 23.09.2014, 30.09.2014, 01.11.2014, 14.11.2014, 24.12.2014, 23.01.2015, 14.02.2015.

Details of number of Board meetings attended by Directors, attendance at the AGM, number of other directorship/ committee membership held by them during the year 2014-2015 are tabulated below:

| Name | Category | No. of Board Meeting Held during the year 2014-15 | No. of Board Meeting attended during the year 2014-15 | Whether Attendance at the Last AGM | Other Directorship and Committee positions | | |
|-----------------------------|---------------------------------------|---|---|------------------------------------|--|----------------------|--------------------|
| | | | | | Directorship | Committee Membership | Committee Chairman |
| Aarti Grover | Promoter Director (Executive) | 12 | 5 | No | 18 | Nil | Nil |
| Raju Grover | Promoter Director (Non- Executive) | 12 | 12 | Yes | 18 | 2 | Nil |
| Sona Purshottam Ramchandani | Independent Director (Non- Executive) | 12 | 12 | Yes | 11 | 2 | 2 |
| Pramila Merani | Independent Director (Non-Executive) | 12 | 5 | No | 4 | 2 | Nil |
| Savitri Butani | Independent Director (Non- Executive) | 12 | 5 | No | 1 | Nil | Nil |

The Board periodically reviews progress made by the Company.

II. AUDIT COMMITTEE

The Company has an Audit Committee of Directors. The Company complies with the provisions of Section 177 of the Companies Act, 2013 as well as requirements of Listing Agreement under clause 49 of the listing agreement pertaining to the Audit Committee. Its composition and functioning is as under:

- i) The Audit Committee consists of the three directors as members and two of them are independent directors.
- ii) All members of the committee are financially literate and the Chairperson is having the requisite financial management expertise.
- iii) The Chairperson of the Audit Committee is Mrs. Sona Ramchandani, an independent director.
- iv) The Chairperson of the Audit Committee is supposed to be present at coming Annual General Meeting going to be held on 30th September, 2015.
- v) The representatives of the statutory auditors and such other person and official of the company are invited to attend the Audit Committee meetings as and when required.
- vi) Composition of Audit Committee:

The present Composition of the committee is tabulated as under:-

| Name of Member | Category | Position |
|-----------------------|---------------|-------------|
| Mrs. Raju Grover | Non-Executive | Member |
| Mrs. Sona Ramchandani | Independent | Chairperson |
| Mrs. Pramila Merani | Independent | Member |

*Company Secretary is the Compliance Officer of the Committee.

Terms of Reference of Audit Committee (to the extent applicable)



1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;



17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
Explanation (i): The term “related party transactions” shall have the same meaning as provided in Clause 49(VII) of the Listing Agreement.

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Meeting of the Audit Committee

During the Year, the Audit Committee had met 2 (Two) times on 15.11.2014, 06.1.2015. The composition of the Audit Committee and number of meetings attended by the members are given below:

| Name of Member | Category | Position | No. of meetings held | Number of meetings attended |
|-----------------------|---------------|-------------|----------------------|-----------------------------|
| Mrs. Sona Ramchandani | Independent | Chairperson | 2 | 2 |
| Mrs. Raju Grover | Non-Executive | Member | 2 | 2 |
| Mrs. Pramila Merani | Independent | Member | 2 | 2 |

*The Company Secretary acts as the secretary of the Committee.

III. NOMINATION AND REMUNERATION COMMITTEE

For complying the requirement of Section 178 of Companies Act, 2013 board has established the Nomination and Remuneration Committee to work with the entire board to determine the appropriate characteristics, skills, experience required for the board as a whole and for individual members. Board members are

expected to possess the required qualifications, integrity, expertise and experience for the experience. The composition of the Committee consists of Non-Executive Director.

| Name of Member | Category |
|-----------------------|-------------------|
| Mrs. Raju Grover | Promoter Director |
| Mrs. Sona Ramchandani | Independent |
| Mrs. Pramila Merani | Independent |

The Board likes to further inform as under.

- i) There was no remuneration meeting held during the year as there was no requirement.
- ii) No remuneration was paid to the Non-executive Directors.

IV. SHARE TRANSFER-CUM-SHAREHOLDERS GRIEVANCE COMMITTEE

i) Terms of reference

The Share Transfer-cum-Shareholders Grievance Committee is constituted under the Chairmanship of a non-executive director to consider and approve various requests for transfer, subdivision, consolidation, renewal, exchange, dematerialization, rematerialization, issue of new Certificates in replacement of old ones and redress the grievances of the Shareholders as may be received from time to time.

ii) Composition and Meeting

The present Composition of the committee is tabulated as under:-

| Name of Member | Category | Position |
|-----------------------|---------------|-------------|
| Mrs. Raju Grover | Non-Executive | Member |
| Mrs. Sona Ramchandani | Independent | Chairperson |
| Mrs. Pramila Merani | Independent | Member |

Company Secretary is the Compliance Officer of the Committee, who oversees the investor's grievances. During the Year 2014-15, the Share Transfer-cum-Shareholders Grievance Committee had met 1 (One) time on 06.1.2015. The composition of the said Committee and number of meetings attended by the members are given below:

| Name of Member | Category | Position | No. of meetings held | Number of meetings attended |
|-----------------------|---------------|-------------|----------------------|-----------------------------|
| Mrs. Raju Grover | Non-Executive | Member | 1 | 1 |
| Mrs. Sona Ramchandani | Independent | Chairperson | 1 | 1 |
| Mrs. Pramila Merani | Independent | Member | 1 | 1 |

iii) Investor Complaints received and redressed

Investors' complaints were received, reviewed and approved at the meeting held during the year 2014-15. All queries received during the year 2014-15 under review were replied to the satisfaction of the investors.



| | |
|-----------------------------------|------------|
| No. of Complaints Received | 12 |
| No. of Complaints Resolved | 12 |
| No. of Complaints Pending | NIL |

V. GENERAL BODY MEETINGS

Location and time where the last three Annual General Meetings were held and the Special Resolutions passed thereat:

| Year | Date | Location | Time | Whether Spl.Resolutions Passed |
|-------------|----------------------------------|-----------------|-------------|---------------------------------------|
| 2011-12 | 29 th September, 2012 | Bhandup | 13.30 | Yes |
| 2012-13 | 30 th September, 2013 | Bhandup | 13.30 | Yes |
| 2013-14 | 30 th September, 2014 | Bhandup | 13.30 | No |

Special Resolutions passed through Postal Ballot during financial year 2014-15: NIL

VI. DISCLOSURES

(A) Basis of related party transactions

The required disclosure with respect to the related party transactions, if any were duly made to Audit Committee on a quarterly basis. Transactions with related parties, if any are disclosed in the Notes to the Accounts as part of Financial Statements.

(B) Disclosure of Accounting Treatment

During the year there has been no deviation in Accounting Policies/Accounting Standards of the company. The same are disclosed in the Notes to the Accounts as part of Financial Statements.

(C) Proceeds from Public issue, right issue, preferential issue etc.

Your company has not issued any share capital during the year 2014-15 under review by way of public issue, right issue and preferential issue or by any other means.

(D) Details of Non Compliance

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or on any matter related to Capital Markets during the last three years.

(E) SEBI Complaints Redress System (SCORES)

The Company processes the investors' complaints received by it through a computerized complaints redress system. The salient features of this system are Computerized database of all inwards receipts and action taken on them, online submission of Action Taken Reports (ATRs) along with supporting documents electronically in SCORES.

VIII. CODE OF CONDUCT

- (i) In compliance with clause 49 of the Listing Agreement and the Companies Act, 2013 the company has framed a Code of Conduct and Code of Fair Disclosures. The copies of Code of Conduct as applicable to the Members of Board, Executive officers (including Senior Management of the Company)



and Non Executive officers and all employees of the company have been sent to all the Directors and Senior Management Personnel. These will be posted on the website of the company. The copy of the Code of Conduct and Code of Fair Disclosures can be inspected from the Registered Office of the company.

- (ii) All the members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code as applicable to them during year ended March 31, 2015. The annual report of the Company contains certificate duly signed by the Managing Director and CFO of the company.

IX. REPORT ON CORPORATE GOVERNANCE

The Quarterly Compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer i.e. Company Secretary.

X. COMPLIANCE CERTIFICATE

- A. Compliance Certificate for Corporate Governance from the Auditors of the Company is annexed here with.
- B. The company had not adopted the non-mandatory requirements as mentioned in the Clause 49.

XI. MEANS OF COMMUNICATION

Quarterly and Annual Audited financial results are sent immediately to the Bombay Stock Exchange after they are approved by the Board of Directors. The Company published its results within the stipulated time as per the Listing Agreement in leading newspapers, i.e. Free Press Journal in English & Navshakti in Marathi .

As per clause 54 of Listing Agreement, the Company has maintained functional website (www.kayceeindustries.com).

The Company has designated an email-id complianceofficer@cms-kaycee.co.in

XII. GENERAL SHAREHOLDER INFORMATION

| | |
|------------------------|--|
| Annual General Meeting | Wednesday, the 30th September, 2015 at 01.30 PM at Jainam Banquet Hall, L.B.S Marg, Bhandup (West), Mumbai-400 078 |
| Financial Year | April 01, 2014 to March 31, 2015 |
| Book closure period | September 21st , 2015 to September 30th , 2015 (Both days inclusive) |
| Dividend payment | Till 30 th October, 2015 |

(i) Financial Calendar

| Events | Actual date/Tentative time frame |
|---|----------------------------------|
| Financial Reporting for the quarter ending 30th June, 2015 | 2nd Week of August, 2015 |
| Financial Reporting for the quarter ending 30th September, 2015 | 2nd Week of November, 2015 |
| Financial Reporting for the quarter ending 31st December, 2015 | 2nd Week of February, 2016 |
| Financial Reporting for the quarter ending 31st March, 2016 | last week of May, 2016 |



(ii) Listing:

The Equity Shares of the company are listed on Bombay Stock Exchange Ltd. Already paid listing fee for the year 2015-16 to BSE.

(iii) ISIN No. and BSE Security Code is INE813G01015 and 504084 respectively.

(iv) Stock Market Price Data

The Monthly High/Low stock prices of Company Equity Shares at Bombay Stock Exchange during Financial Year 2014-2015 are given below:

| KAYCEE INDUSTRIES LIMITED (SHARE PRICES) | | |
|---|------------|-----------|
| Month | High (Rs.) | Low (Rs.) |
| Apr-14 | 3,075 | 2,515 |
| May-14 | 3,545 | 2,515 |
| June-14 | 3768 | 3100 |
| Jul-14 | 4,640 | 3,050.00 |
| Aug-14 | 3849 | 3,511.25 |
| Sep-14 | 4,480 | 3335 |
| Oct-14 | 4,475 | 3,450.00 |
| Nov-14 | 4,250 | 3,618.05 |
| Dec-14 | 4,100 | 3301.05 |
| Jan-15 | 3,860 | 3,200 |
| Feb-15 | 3689 | 3,025 |
| Mar-15 | 3,500 | 2,715 |

(v) Share Transfer System and R&T Agent

Shares lodged for transfer in house and at our Registrar & Transfer Agent M/s. Datamatics Financial Services Limited, Mumbai are normally processed and approved by Share Transfer-cum-Shareholders Grievance Committee of the Company on quarterly basis. The Registrar & Share Transfer Agent of the company is "DATAMATICS FINANCIAL SERVICES LTD." The Transfer and Transmission of shares is processed within stipulated time from date of receipt of documents complete in all respect.

(vi) Distribution of shareholding

Distribution of shareholding as on March 31st, 2015:

| Category (No. of Shares) | No. of Shareholders | Percentage of Shareholders | No. of Shares | Percentage of Total Shares |
|--------------------------|---------------------|----------------------------|---------------|----------------------------|
| Upto 500 | 1638 | 99.7564 | 16589 | 26.14 |
| 501 – 1000 | 2 | 0.1218 | 1162 | 1.83 |
| 1001 – 5000 | 0 | - | 0 | - |
| 5001- 999999 | 2 | 0.1218 | 45719 | 72.03 |
| TOTAL | 1642 | 100.0000 | 63470 | 100.00 |



Shareholding pattern as on March 31, 2015

| Category of Shareholder | No. of Shareholders | Total No. of Shares held | Percentage of Shareholding |
|-------------------------------------|---------------------|--------------------------|----------------------------|
| (A) Promoters & Promoter Group | 2 | 45719 | 72.03 |
| (B) Public shareholding | | | |
| (i) Mutual Funds /Banks /FIIS /IFCI | 5 | 158 | 0.25 |
| (ii) NRIs/ Foreign Nationals | 0 | 0 | - |
| (iii) Private Corporate Bodies | 48 | 625 | 0.98 |
| (iv) Individuals | 1581 | 16150 | 25.45 |
| (v) Any other | 6 | 818 | 1.29 |
| TOTAL | 1642 | 63470 | 100.00 |

(vii) Dematerialization of shares and liquidity

The shareholders of the company have been admitted with both NSDL and CDSL for dematerialization. This helps the investor to dematerialize their holding in electronic form and resultant fast transfer of shares. As on 31st March 2015, 91% of Equity shares stand dematerialized.

- viii) Outstanding ADRs/GDRs/Warrants/Options or any convertible Instruments, conversion date and likely impact on Equity - There are no outstanding GDRs/ADRs/Warrants of the Company.

Plant Location : 1

70, Lake Road, Kaycee Industrial Compound, Bhandup (W), Mumbai 400 078

Plant Location : 2

Plot No.F-25, Addl. Ambarnath Industrial Area, Anand Nagar, Ambarnath (E), Thane 421502

(ix) Green Initiative

Pursuant to Circulars No. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA), MCA has undertaken a "Green Initiative in Corporate Governance", by allowing paperless compliance including service of notices/documents by companies to their shareholders through electronic mode. In order to enable the Company to send such documents in electronic form, members who hold shares in physical form are requested to register their e-mail addresses with the Company by sending a letter to the address given below, or an e-mail on their respective e-mail ID complianceofficer@cms-kaycee.co.in and intimate changes in the e-mail Id from time to time.

- (x) Address for correspondence:-

| | |
|---|--|
| Company Secretary KAYCEE INDUSTRIES LIMITED OLD KAMANI CHAMBERS, 32-RAMJIBHAI KAMANI MARG, BALLARD ESTATE, MUMBAI- 400 001. Email id :k_bind@cms.co.in | Our Registrar& Share Transfer Agent:- DATAMATICS FINANCIAL SERVICES LIMITED, Plot No.A-16 & 17 part B Cross Lane, MIDC, Andheri (E), Mumbai 400 093. Email id : anand_bhilare@dfssl.com |
|---|--|



CEO/CFO Certifications

As required under Clause 49 (IX) of the Listing Agreement with the Stock Exchanges, the Chief Executive Officer and the Chief Financial Officer of the Company have certified regarding the Financial Statements for the year ended March 31, 2015 which is annexed to this Report.

We, to the best of our knowledge and belief, do hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief;
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct;
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies;
- d) We have indicated to the Auditors and the Audit Committee;
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which they have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

By Order of the Board of
For **KAYCEE INDUSTRIES LIMITED**

Place: Mumbai
Date: 13th August, 2015

Sd/-
Deepak Potdar
Chief Finance Officer

Sd/-
Aarti Grover
Managing Director



DECLARATION ON COMPLIANCE OF COMPANY'S CODE OF CONDUCT

This is to confirm that the company has adopted a Code of Conduct for its employees and Directors.

I confirm that that the Company has in respect of the financial year ended 31st March, 2015, received from the Senior Management Personal and the members of the Board, a declaration of compliance with the code of conduct as applicable to them.

For the purpose of this declaration, senior management team means the Chief Financial Officer, the Company Secretary and all functional heads of Company as on March 31, 2015.

By Order of the Board of

For **Kaycee Industries Limited**

Sd/-
(Aarti Grover)
Managing Director
Place: Mumbai
Date : 13th August, 2015



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Kaycee Industries Limited

We have examined the compliance of conditions of Corporate Governance by Kaycee Industries Limited ('the Company'), for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company entered into with Bombay Stock Exchanges Limited.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For N.D. Kapur & Co.,
Chartered Accountants,
Firm's Registration No. 001196N

Sd/-
S.K. Agarwal
Partner
Membership No.13968

Place : Mumbai
Date : August 13, 2015

**SECRETARIAL AUDIT REPORT****Form No. MR-3****FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015**

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

To

The Members

KAYCEE INDUSTRIES LIMITED

Old Kamani Chambers

32-Ramjibhai Kamani Marg

Ballard Estate, Mumbai-400001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KAYCEE INDUSTRIES LIMITED** having CIN: L70102MH1942PLC006482 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
 - (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

As per the explanations given to me in the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations / guidelines were not applicable to the Company:



- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; and
- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I have also examined compliance with the applicable clauses of the Listing Agreement for Equity Shares entered into by the Company with Stock Exchange(s). Further, as per the explanations given to me in the representations made by the management and relied upon by me, I further report that Clause 49 of the Listing Agreement does not apply to the Company.

Further to report that the Secretarial Standards issued by the Institute of Company Secretaries of India under the Companies Act, 2013 were not notified during the period and hence not verified.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to this report to the extent applicable except that the Company has not received Deposit from the Member proposing appointment(s) of Director(s) under section 160 of the Companies Act, 2013 along with Notice in writing.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is generally given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and as informed, there were no dissenting members' views and hence not recorded as part of the minutes.



There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, however the same may be further strengthened.

As per the explanations given to me in the representations made by the management and relied upon by me, I further report that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

Sd/-

Aashit Doshi

Practicing Company Secretary

ACS: 28415 CP: 10190

Date: 13/08/2015

Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



To

The Members

KAYCEE INDUSTRIES LIMITED

Old Kamani Chambers

32-Ramjibhai Kamani Marg

Ballard Estate, Mumbai-400001

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd-/

Aashit Doshi

Practicing Company Secretary

ACS: 28415 CP: 10190

Date: 13/08/2015

Place: Mumbai



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

The macro-economic situation is still sluggish and policy measures taken by the new Government are yet to positively influence the economy and the business of electrical distribution and other components industry. The slowdown in electrical distribution and other components industry began few years back, continued to this financial year also and continued impacting capacity utilization and price realization because of keen competition amongst organized sector manufacturers owing to overcapacity in industry. Demand of Switches, counter and other electrical items by corporate both private and public sectors, are much lower and with that limited demand is being chased by huge capacity. This has caused industry's capacity utilization at sub-optimum level and price realization and liquidity problem is still faced by most of players in the Industry.

With the new Government at Centre, public sentiment has substantially improved. Measures taken by the new Government are positive for overall industrial sectors including electrical distribution and other components industry. The situation is expected to improve gradually and the initiatives and measures on policy matters will have its genuine effect in contribution to economic growth over next 18-24 months period and hence, medium to long term outlook seems positive, subject to future risks and uncertainties relating to general economic and industry conditions, currency exchange rates, interest rates, implementation of policies and other factors affecting the industry.

FINANCIAL PERFORMANCE & ANALYSIS

The total revenue of the Company during the year 2014-15 was Rs.2275.29 Lacs as compared to Rs. 2558.24 Lacs for previous fiscal year. The net loss after tax during the current year was Rs. 113.98 Lacs as compared to net profit of Rs. 43.18 Lacs during the previous year.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

HUMAN RESOURCES:

The Company continues its focus on development of human resource, which is one of its most critical assets. Learning, training and development has been strengthened to bring value addition in employees and to enhance team building and core competencies. The Company focuses on providing the employees friendly environment and culture and career growth opportunities.

RISK AND CONCERN

Considering the existing continued slow-down and future positive medium to long term outlook due to steps taken on policy matters by the new government, situation is expected to revive gradually in near future. The major risk factors affecting the Company are overcapacity in industry, increase in receivable positions due to delay in payment by certain customers, uncertainty in execution of low fixed price orders.

OUTLOOK

The Company expects further improvement in volume at available market prices. Currency fluctuation is also affecting margins since cost of raw material, being of import origin, is affected. Increasing competition, delay in implementation of announced projects and measures, high prices of major raw materials and other components



will continue to impact realizations, both at gross and net level. Expected reduction in interest rate by banks and financial institution not moving at desired pace also delaying revival of stuck projects and takeoff of new projects recently announced. Your Company is always focused on cost control and productivity improvement areas to effectively fight competition. With new Government at the Centre taking positive steps in policy matters, revival of indolent phase is expected gradually in next 18-24 months period and outlook for long term seems positive for our Company.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially, from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material costs and availability and changes in government regulations and tax structure, economic development within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations.

By Order of the Board of
Kaycee Industries Limited

Sd/-
Raju Grover
Chairperson
Place: Mumbai
Date: 13th August, 2015

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS :

| | | |
|----|--|---|
| 1. | CIN | L70102MH1942PLC006482 |
| 2. | Registration Date | 006482 |
| 3. | Name of the Company | KAYCEE INDUSTRIES LIMITED |
| 4. | Category/Sub-category of the Company | COMPANY LIMITED BY SHARE |
| 5. | Address of the Registered Office & contact details | OLD KAMANI CHAMBERS, 32-RAMJIBHAI KAMANI MARG, BALLARD ESTATE, MUMBAI-400001 |
| 6. | Whether listed Company | YES |
| 7. | Name, Address & Contact details of the Registrar & Transfer Agent, if any. | Datamatics Financial Services Limited Plot No.A-16 & 17 part 'B' Cross Lane, MIDCAndheri (E), Mumbai 400 093. Contact : 022-66712188 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

| Sr.No | Name and Description of Main Products/ services | NIC Code of the Product/Service | %to total turnover of the Company |
|-------|---|---------------------------------|-----------------------------------|
| 1 | SWITCHES | 27104 | 73.96% |
| 2 | COUNTERS | 26519 | 10.90% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sr.No | Name and Description of Main Products/ services | NIC Code of the Product/Service | %to total turnover of the Company |
|-------|---|---------------------------------|-----------------------------------|
| | - | - | - |
| | - | - | - |

VI. SHARE HOLDING PATTERN (Equity Share Capital Break Up as Percentage of Total Equity) Category-wise Holding

| Category of Shareholders | No. of Shares Held of the Beginning of the Year (As on 31 March-2014) | | | | No. of Shares held at the end of the year (As on 31- March-2015) | | | | % Change during the year |
|--|---|-------------|--------------|-------------------|--|-------------|--------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | — | — | — | — | — | — | — | — | — |
| a) Individual/HUF | — | — | — | — | — | — | — | — | — |
| b) Central Govt | — | — | — | — | — | — | — | — | — |
| c) State Govt(s) | — | — | — | — | — | — | — | — | — |
| d) Bodies Corp. | 45725 | — | 45725 | 72.0419 | 45719 | — | 45719 | 72.0325 | 0.0094 |
| e) Bank/FI | — | — | — | — | — | — | — | — | — |
| f) Any other | — | — | — | — | — | — | — | — | — |
| Total shareholding of Promoter (A) | 45725 | | 45725 | 72.0419 | 45719 | | 45719 | 72.0325 | 0.0094 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | — | — | — | — | — | — | — | — | — |
| b) Banks/FI | — | 158 | 158 | 0.2489 | — | 158 | 158 | 0.2489 | 00 |
| c) Central Govt | — | — | — | — | — | — | — | — | — |
| d) State Govt(s) | — | — | — | — | — | — | — | — | — |
| e) Venture Capital Funds | — | — | — | — | — | — | — | — | — |
| f) Insurance Companies | — | — | — | — | — | — | — | — | — |
| g) FIs | — | — | — | — | — | — | — | — | — |
| h) Foreign Venture Capital Funds (Specify) | — | — | — | — | — | — | — | — | — |
| Sub-total (B)(1):- | — | — | — | — | — | — | — | — | — |
| 2.Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 397 | 19 | 416 | 0.6554 | 606 | 19 | 625 | 0.9847 | 0.3293 |
| i) Indian | — | — | — | — | — | — | — | — | — |
| ii) Overseas | — | — | — | — | — | — | — | — | — |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh | 11416 | 4991 | 16407 | 25.8500 | 11260 | 4890 | 16150 | 25.4451 | (0.4049) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | — | — | — | — | — | — | — | — | — |
| c Others (specify) | | | | | | | | | |
| Non Resident Indians | 5 | 644 | 649 | 1.0225 | 2 | 644 | 646 | 1.0178 | 0.0047 |
| Non Resident Indians rept | 115 | — | 115 | 0.1812 | 172 | — | 172 | 0.2710 | (0.0898) |
| Overseas Corporate bodies | — | — | — | — | — | — | — | — | — |
| Foreign Nationals | — | — | — | — | — | — | — | — | — |
| Clearing Members | — | — | — | — | — | — | — | — | — |
| Trusts — | — | — | — | — | — | — | — | — | — |
| Foreign Bodies- DR | — | — | — | — | — | — | — | — | — |
| Sub-Total (B)(2):- | | | | | | | | | |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 11933 | 5812 | 17745 | 27.958 | 12040 | 5711 | 17751 | 27.9675 | 0.0095 |
| c. Shares held by custodian for GDRs & ADRs | — | — | — | — | — | — | — | — | — |
| Grand Total (A+B+C) | 57658 | 5812 | 63470 | 100 | 57759 | 5711 | 63470 | 100 | |

B) SHAREHOLDING OF PROMOTER

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|----|-----------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of Total shares of the Company | % of shares pledged/encumbered to total shares | No. of Shares | % of Total shares of the Company | % of shares pledged/encumbered to total shares | |
| 1 | CMS TRAFFIC SYSTEMS LIMITED | 21656 | 34.12 | — | 21656 | 34.12 | — | — |
| 2 | CMS COMPUTERS LIMITED | 24069 | 37.922 | — | 24063 | 37.913 | — | 0.009 |
| | Total | 45725 | 72.042 | — | 45719 | 72.033 | — | — |

C) Change in Promoter's Shareholding (Please specify, if there is no change)

| SN | Particulars | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|----|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | At the beginning of the year | 45725 | 72.042 | 45725 | 72.042 |
| | Date wise Increase/Decrease in Promoters shareholding during the year specifying the reason for increase/decrease (e.g allotment /transfer/bonus/sweat equity etc.) | NO TRANSACTION DURING THE YEAR | | | |
| | At the end of the year | 45725 | 72.042 | 45725 | 72.042 |

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, promoters and Holders of GDRs and ADRs):**

| SN | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|-----|---------------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 1. | CUSTODIAN OF ENEMY PROP FOR(I) | 629 | 0.991 | 629 | 0.991 |
| 2. | JYOTI C JAIN | 271 | 0.427 | 271 | 0.427 |
| 3. | PIYUSH VASANTLAL VARAIYA | 426 | 0.671 | 426 | 0.671 |
| 4. | ASLAM QADAR KHAN | 330 | 0.520 | 330 | 0.520 |
| 5. | CHANDRA PRAKASH JAIN | 319 | 0.530 | 319 | 0.530 |
| 6. | RAJ MOHINI | 298 | 0.470 | 298 | 0.470 |
| 7. | SHARAD KANAYALAL SHAH | 200 | 0.315 | 200 | 0.315 |
| 8. | NEMISH S SHAH | 112 | 0.176 | 112 | 0.176 |
| 9. | PANSY DINSHAW MEHTA | 141 | 0.222 | 141 | 0.222 |
| 10. | RENU GUPTA | 128 | 0.202 | 128 | 0.202 |

E) Shareholding of Directors and Key Managerial Personnel

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|----|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | At the beginning of the year | — | — | — | — |
| | Date wise Increase/Decrease in Promoters Shareholding during the bonus/sweat equity etc); | NO HOLDING OF DIRECTOR OR KMP | | | |
| | At the end of the year | — | — | — | — |

V) INDEBTEDNESS- Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 33,115,855 | 2,000,000 | Nil | Nil |
| ii) Interest due but not paid | 0 | 0 | Nil | Nil |
| iii) Interest accrued but not due | 0 | 0 | Nil | Nil |
| Total (i+ii+iii) | 33,115,855 | 2,000,000 | Nil | Nil |
| Change in Indebtedness during the financial year | | | Nil | Nil |
| *Addition | Nil | Nil | Nil | Nil |
| *Reduction | Nil | Nil | Nil | Nil |
| Net Change | Nil | Nil | Nil | Nil |
| Indebtedness at the end of the financial year | Nil | Nil | Nil | Nil |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | Nil | Nil | Nil | Nil |
| Total (i+ii+iii) | | | | |

VI. REMUNERATION OF DIRECTORS ANY KEY MANAGERIAL PERSONNEL:-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| SN | Particulars of Remuneration | Name of MD/WTD/Manager | | | Total Amount |
|----|--|------------------------|---------------|-------------------|--------------|
| | | AARTI GROVER | DEEPAK POTDAR | KAMALESHWARI BIND | |
| 1 | Gross Salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961 | 1704600 | 625562 | 395796 | 2725958 |
| | (b) Value of perquisite u/s 17(2) Income-tax Act, 1961 | 0 | 0 | 0 | |
| | (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | 0 | 0 | 0 | |
| 2 | Stock Option | | | | |
| 3 | Sweat Equity | | | | |
| 4 | Commission -as % of profit -Others Specify | | | | |
| 5 | Others, please specify Total (A) Ceiling as per the Act | | | | |

B. Remuneration to other Directors

| SN | Particular of Remuneration | Name of Directors | | | Total Amount |
|----|--|-----------------------|---------------------|---------------------|--------------|
| | | Mrs. Sona Ramchandani | Mrs. Pramila Merani | Mrs. Savitri Butani | |
| 1 | Independent Directors | | | | |
| | Fee for attending Board Committee meetings | — | — | — | |
| | Commission | — | — | — | |
| | Others, please specify | — | — | — | |
| | Total (1) | | | | |
| 2 | Other Non-Executive Director | — | — | — | |
| | Fee for attending board committee meetings | — | — | — | |
| | Commission | — | — | — | |
| | Others, please specify | — | — | — | |
| | Total (2) | — | — | — | |
| | Total (B)= (1+2) | — | — | — | |
| | Total Managerial Remuneration | — | — | — | |
| | Overall Ceiling as per the Act | — | — | — | |



A. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| SN | Particular of Remuneration | Key Managerial Personnel | | | |
|----|---|--------------------------|--------|--------|-------|
| | | CEO | CS | CFO | Total |
| 1 | Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax act, 1961 (b) Value of perquisite u/s 17(2) Income- tax at, 1961 (c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961 | - | 395796 | 625562 | |
| 2 | Stock Option | — | — | — | — |
| 3 | Sweat Equity | — | — | — | — |
| 4 | Commission-as % of profitOthers, specify | — | — | — | — |
| 5 | Others, please specify | — | — | — | — |
| | Total — | | 395796 | 625562 | — |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

| TYPE | SECTION OF THE COMPANIES ACT | BRIEF DESCRIPTION | DETAILS OF PENALTY/PUNISHMENT/COMPOUNDING FEES IMPOSED | AUTHORITY (RD/NCLT/ COURT) | APPEAL MADE, IF ANY (GIVE DETAILS) |
|---------------------------------|------------------------------|-------------------|--|----------------------------|------------------------------------|
| COMPANY | | | | | |
| Penalty | NIL | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| DIRECTORS | | | | | |
| Penalty | NIL | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| OTHER OFFICER IN DEFAULT | | | | | |
| Penalty | NIL | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS**

To
**THE MEMBERS OF
KAYCEE INDUSTRIES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **KAYCEE INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and loss and the cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position and financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act 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 the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date and
- (c) its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and 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 account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. there is no pending litigation as on 31 March 2015 and therefore the Company has not made any disclosure in this regard in its financial statements;
 - ii. the Company did not have any long-term contracts including derivatives contracts and therefore no provision is required to be made in this regard;
 - iii. there is no amount of due which is required to be transferred to Investor Education and Protection Fund.

For N. D. KAPUR & CO.**Chartered Accountants**

Firm's Registration No: 001196N

Sd/-

S. K. AGRAWAL**Partner**

Membership No. 13968

Mumbai

Dated: May 30, 2015

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

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.
 - b) All the fixed assets have been physically verified by the management according to a regular program, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
2.
 - a) The inventory has been physically verified by the respective Management of the Company and subsidiary Company during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the Management of the Company are reasonable and adequate in relation to the size of the aforesaid Company and the nature of their business.
 - c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification of inventory of the aforesaid Company as compared to the respective 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 189 of the Companies Act, 2013, and hence clause 3(iii) of the Companies (Auditor's Report) Order 2015 is not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
5. The Company has not accepted any deposit from the public.
6. As informed to us, the maintenance of Cost Records has not been prescribed by Central Government under Section 148 of the Act for any of the goods sold or services rendered by the Company for the for the accounting year ended on 31st March 2015.
7. In respect of statutory dues:
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited



during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- b. The disputed statutory dues aggregating to Rs 3.96 lacs (P.Y. Rs 3.96 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) |
|-----------------------------|--------------------|---------|--------------------------------|---------------------|
| The Central Excise Act 1944 | Excise | 2007-08 | Superintendent of Excise | 3.96 |

- c. According to the information and explanations given to us, there is no amount of due which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
8. The company has no accumulated losses as at 31st March, 2015 and it has incurred cash loss during the current financial year and has not incurred cash loss in the immediately preceding financial year.
9. 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 or banks. The Company has not issued any debentures and therefore question of default in repayment of dues to debenture holders does not arise.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from any bank or financial institutions.
11. The Company has not raised any term loan.
12. 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 course of our audit, nor have we been informed of such case by the Management.

For N. D. KAPUR & CO.
Chartered Accountants
 Firm's Registration No: 001196N
 Sd/-
S. K. AGRAWAL
Partner
 Membership No. 13968

Mumbai
 Dated: May 30, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

| | Note No. | 31st March, 2015 Rupees | 31st March, 2014 Rupees |
|--|----------|----------------------------|----------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 SHAREHOLDERS' FUND : | | | |
| (a) Share Capital | 1 | 6,347,000 | 6,347,000 |
| (b) Reserves & Surplus | 2 | 113,342,210 | 126,142,931 |
| (c) Money received against share warrants | | - | - |
| | | 119,689,210 | 132,489,931 |
| 2 SHARE APPLICATION MONEY PENDING ALLOTMENT : | | | |
| | | - | - |
| 3 NON-CURRENT LIABILITIES | | | |
| (a) Long term Borrowings | 3 | 2,000,000 | 2,000,000 |
| (b) Deferred Tax Liabilities | 4 | - | - |
| (c) Other Long term Liabilities | | - | - |
| (d) Long term Provisions | 5 | 4,666,831 | 3,521,718 |
| | | 6,666,831 | 5,521,718 |
| 4 CURRENT LIABILITIES | | | |
| (a) Short Term Borrowings | 6 | 35,575,355 | 28,065,097 |
| (b) Trade payables | 7 | 41,156,830 | 52,608,407 |
| (c) Other Current Liabilities | 8 | 6,158,890 | 5,145,621 |
| (d) Short Term Provisions | 9 | 8,027,196 | 4,696,980 |
| | | 90,918,272 | 90,516,105 |
| TOTAL | | 217,274,313 | 228,527,755 |
| II. ASSETS | | | |
| 1 NON CURRENT ASSETS | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | 10 | 27,975,302 | 24,569,535 |
| (ii) Intangible Assets | | - | - |
| (iii) Capital Work in Progress | | 14,766,844 | 14,766,844 |
| (iv) Intangible assets under development | | - | - |
| (b) Non current Investment | 11 | 109,900 | 109,900 |
| (c) Deferred Tax Assets | 4 | 935,524 | 355,531 |
| (d) Long Term loans and Advances | | - | - |
| (e) Other Non Current Assets | 12 | 876,320 | 876,320 |
| | | 44,663,890 | 40,678,130 |
| 2 CURRENT ASSETS | | | |
| (a) Current Investments | | - | - |
| (b) Inventories | 13 | 66,430,954 | 66,841,705 |
| (c) Trade Receivables | 14 | 90,874,702 | 93,089,813 |
| (d) Cash and cash equivalents | 15 | 6,124,779 | 17,824,172 |
| (e) Short-term loans and advances | 16 | 4,207,355 | 4,865,899 |
| (f) Other current assets | 17 | 4,972,633 | 5,228,035 |
| | | 172,610,423 | 187,849,625 |
| TOTAL | | 217,274,313 | 228,527,755 |

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

1 TO 27

For and on behalf of the Board

For N.D KAPUR & CO.

Firm Registration No:001196N

Chartered Accountants

S.K.AGRAWAL

Partner

MUMBAI

Date: 30th May 2015

Sd/-

AARTI GROVER
Managing Director

Sd/-

Deepak Potdar
Chief Financial Officer

Sd/-

RAJU GROVER
Director

Sd/-

Kamleshwari Bind
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

| | Note No. | 31st March, 2015 Rupees | 31st March, 2014 Rupees |
|---|----------|----------------------------|----------------------------|
| A CONTINUING OPERATION | | | |
| 1 Revenue from operations | 18 | 224,309,525 | 252,152,516 |
| 2 Other Income | 19 | 3,219,900 | 3,671,910 |
| 3 Total Revenue | | 227,529,425 | 255,824,426 |
| 4 Expenses | | | |
| (a) Cost of materials consumed | 20 | 126,580,808 | 142,569,290 |
| (b) Purchases of stock-in-trade | 21 | 6,027,551 | 7,344,429 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 22 | (11,481,847) | (11,945,111) |
| (d) Employee Benefit Expenses | 23 | 59,140,406 | 56,202,461 |
| (e) Finance cost | 24 | 4,704,596 | 3,288,225 |
| (f) Depreciation and Amortisation Expenses | 10 | 3,012,787 | 3,692,450 |
| (g) Other Expenses | 25 | 51,522,631 | 48,496,253 |
| Total Expenses | | 239,506,932 | 249,647,996 |
| 5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4) | | (11,977,507) | 6,176,429 |
| 6 Exceptional items | | - | - |
| 7 Profit/(Loss) before extraordinary items and tax(5-6) | | (11,977,507) | 6,176,429 |
| 8 Extraordinary items | | - | - |
| 9 Profit / (Loss) before tax (7 - 8) | | (11,977,507) | 6,176,429 |
| 10 Tax Expenses | | | |
| (a) Current tax | | - | 1,925,000 |
| (a) Prior Period | | - | (307,533) |
| (b) Deferred Tax | | (579,993) | 240,654 |
| 11 Profit / (Loss) from continuing operations (9 - 10) | | (11,397,514) | 4,318,309 |
| Earning per equity share of face value of Rs.100 each (Basic & Diluted) | | (179.57) | 68.04 |

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

1 TO 27

For and on behalf of the Board

For N.D KAPUR & CO.

Firm Registration No:001196N

Chartered Accountants

S.K.AGRAWAL

Partner

MUMBAI

Date: 30th May 2015

Sd/-

AARTI GROVER
Managing Director

Sd/-
Deepak Potdar
Chief Financial Officer

Sd/-

RAJU GROVER
Director

Sd/-
Kamleshwari Bind
Company Secretary

CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2015

| | 2013-2015 | | 2013-2014 | |
|---|-------------|---------------------|--------------|---------------------|
| | RS | RS | RS | RS |
| A. Cash Flow From Operating Activities | | | | |
| Net Profit/(Loss) Before Tax and extra Ordinary Items | | (11,977,507) | | 6,176,429 |
| Adjusted for | | | | |
| Provision for Doubtful Debts | 555,034 | | (348,923) | |
| Depreciation | 3,012,787 | | 3,692,450 | |
| Interest received | (788,683) | | (1,075,910) | |
| Dividend received | (1,000) | | (1,000) | |
| Adjustment in Exchange Gain / Loss | (271,119) | | 138,582 | |
| Rent Received | (2,400,000) | | (2,595,000) | |
| Loss on Fixed Asset discarded | - | | 13,175 | |
| Interest Charged | 4,704,596 | 4,811,615 | 3,288,225 | 3,111,599 |
| Operating profit before working capital changes | | (7,165,891) | | 9,288,028 |
| Adjustments for: | | | | |
| Trade and other receivables | 2,574,024 | | (8,941,315) | |
| Inventories | 410,751 | | (23,972,611) | |
| Trade payable / Other Liabilities | (5,962,978) | (2,978,203) | 6,934,841 | (25,979,085) |
| Cash generated from operations | | (10,144,094) | | (16,691,057) |
| Direct taxes Paid | | 247,458 | | (495,577) |
| Net cash flow before extra ordinary items | | (9,896,636) | | (17,186,634) |
| Prior Period items | | - | | (307,533) |
| NET CASH FROM OPERATING ACTIVITIES (A) | | (9,896,636) | | (17,494,167) |
| B. Cash flow from investing activities | | | | |
| Inflow | | | | |
| Interest received | | 788,683 | | 1,075,910 |
| Dividend received | | 1,000 | | 1,000 |
| Rent received | | 2,400,000 | | 2,595,000 |
| Outflow | | | | |
| Purchase of fixed assets | | (7,452,933) | | (3,229,614) |
| NET CASH USED IN INVESTING ACTIVITIES (B) | | (4,263,250) | | 442,296 |
| C. Cash flow from financing activities | | | | |
| Inflow | | | | |
| Increase in bank borrowing -NET | | 7,510,258 | | 3,366,046 |
| Increase in Share Capital | | - | | 1,000,000 |
| Share Premium Account | | - | | 32,120,000 |
| Outflow | | | | |
| Dividend and dividend tax paid | | (737,649) | | (621,429) |
| exchanger rate difference | | | | |
| Interest paid | | (4,704,596) | | (3,288,225) |
| NET CASH USED IN FINANCING ACTIVITIES (C) | | 2,068,013 | | 32,576,392 |
| NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C) | | (12,091,874) | | 15,524,521 |
| CASH & CASH EQUIVALENTS-OPENING BALANCE | | 18,256,378 | | 2,731,854 |
| CASH & CASH EQUIVALENTS-CLOSING BALANCE | | 6,164,504 | | 18,256,378 |

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR N.D KAPUR & CO.

Firm Registration No:001196N
Chartered Accountants

S.K.AGRAWAL
Partner

MUMBAI
Date: 30th May 2015

For and on behalf of the Board

Sd/-

AARTI GROVER
Managing Director

Sd/-
Deepak Potdar
Chief Financial Officer

Sd/-

RAJU GROVER
Director

Sd/-
Kamleshwari Bind
Company Secretary

Notes On Financial Statements for the Year ended 31st March 2015

| Note : 1 | As at 31st March 2015 | As at 31st March 2014 |
|--|----------------------------------|----------------------------------|
| SHARE CAPITAL | | |
| AUTHORISED 97,500 Equity Shares of Rs. 100/- each | 97,50,000 | 97,50,000 |
| ISSUED, SUBSCRIBED AND PAID UP: 63,470 (P.Y 63,470) 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. | 6,347,000 | 6,347,000 |
| a) Reconciliation of the number of equity shares and share capital: Issued, subscribed and fully paid up equity shares outstanding at beginning of the year Add: Shares issued during the year Issued, subscribed and fully paid up equity shares outstanding at end of the year | 63470 - 63470 | 53470 10000 63470 |
| b) Details of Shareholder Holding more than 5% Shares | | |
| <u>Name of the Shareholder</u> | Cms Traffic System Limited | Cms Traffic System Limited |
| No. of Shares Held | 21,656 | 21,656 |
| % of Holding | 34.12% | 34.12% |
| <u>Name of the Shareholder</u> | Cms Computers Limited | Cms Computers Limited |
| No. of Shares Held | 24,063 | 24,069 |
| % of Holding | 37.91% | 37.92% |
| Note : 2 | As at 31st March 2015 | As at 31st March 2014 |
| RESERVES AND SURPLUS | | |
| Share Premium Account | | |
| Opening Balance | 57,374,552 | 25,254,552 |
| Add : Share Premium Credited on Share Issue | - | 32,120,000 |
| Closing Balance | 57,374,552 | 57,374,552 |
| General Reserve | | |
| Opening Balance | 22,503,587 | 21,003,587 |
| Less : Adjustment Related to Fixed Assets (Refer Note 27) | 1,034,379 | 1,500,000 |
| Closing Balance | 21,469,208 | 22,503,587 |
| Profit and Loss Account | | |
| Opening Balance | 46,264,795 | 44,184,133 |
| Add Profit/(Loss) for The year | (11,397,514) | 4,318,309 |
| | 34,867,282 | 48,502,441 |
| Less: Appropriations | | |
| Transfer to General Reserve | - | 1,500,000 |
| Proposed Dividend on equity shares | 317,350 | 634,700 |
| Tax On dividend | 51,482 | 102,949 |
| Closing Balance | 34,498,450 | 46,264,792 |
| TOTAL | 113,342,210 | 126,142,931 |

Notes On Financial Statements for the Year ended 31st March 2015

| Note : 3 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| LONG TERM BORROWINGS | | |
| Unsecured | | |
| Loan From Director | 2,000,000 | 2,000,000 |
| | 2,000,000 | 2,000,000 |
| The Company do not have Any long term borrowing In the form of Term loan , debentures and Bonds in the reported financials year | | |

| Note : 4 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| DEFFERED TAXASSET/LIABILITY (NET) | | |
| (a) Deferred Tax Liabilities | | |
| i) on Depreciation/amortisation of Fixed Assets | 505,611 | 492,999 |
| ii) on Provision for doubtful debts | - | 113,208 |
| iii) on Other Timing Difference | - | - |
| TOTAL | 505,611 | 606,207 |
| (b) Deferred Tax Assets | | |
| i) on Provision for Gratuity & Leave encashment | 1,269,629 | 961,738 |
| ii) on Provision for doubtful debts | 171,506 | - |
| iii) on Other Timing Difference | - | - |
| TOTAL | 1,441,135 | 961,738 |
| TOTAL | 935,524 | 355,531 |

| Note : 5 | As at 31st March 2015 | As at 31st March 2014 |
|---------------------------------|----------------------------------|----------------------------------|
| LONG TERM PROVISIONS | | |
| Provision for Employee Benefits | | |
| Leave Encashment | 3,240,511 | 2,400,382 |
| Gratuity | 1,426,320 | 1,121,336 |
| TOTAL | 4,666,831 | 3,521,718 |

| Note : 6 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| SHORT TERM BORROWINGS | | |
| SECURED LOANS : | | |
| Working Capital loans from | | |
| The Saraswat Co- Op Bank Ltd | | |
| Cash Credit | 3,723,547 | (69,457) |
| ODBD | 2,604,271 | 2,011,871 |
| Central bank of India | | |
| Cash Credit | 26,226,191 | 20,673,465 |
| ODBD | 561,846 | 3,072,219 |
| | 33,115,855 | 25,688,097 |
| DEPOSITS : | | |
| Unsecured (Dealer,Distributor & Stockist) | 2,459,500 | 2,377,000 |
| TOTAL | 35,575,355 | 28,065,097 |



Notes On Financial Statements for the Year ended 31st March 2015

| Note : 7 | As at 31st March 2015 | As at 31st March 2014 |
|---|--------------------------|--------------------------|
| TRADE PAYABLES | 41,156,830 | 52,608,407 |
| TOTAL | 41,156,830 | 52,608,407 |
| <p>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.</p> | | |

| Note : 8 | As at 31st March 2015 | As at 31st March 2014 |
|---------------------------------------|--------------------------|--------------------------|
| OTHER CURRENT LIABILITIES | | |
| Outstanding Liabilities | 2,385,654 | 2,651,099 |
| Statutory Dues | 432,558 | 497,953 |
| Sales Tax Payable | 800,445 | - |
| Unclaimed Dividends | 230,370 | 195,580 |
| Unclaimed amount for fractional Share | 664 | 664 |
| Other Deposits | 18,000 | 18,000 |
| Advance From Customers | 2,291,199 | 1,782,325 |
| | 6,158,890 | 5,145,621 |

| Note : 9 | As at 31st March 2015 | As at 31st March 2014 |
|--------------------------------|--------------------------|--------------------------|
| SHORT TERM PROVISIONS | | |
| Others : | | |
| Provision for Employee Benefit | 4,246,929 | 1,917,487 |
| Provision for Excise duty | 3,411,435 | 2,041,843 |
| Proposed Dividend | 317,350 | 634,700 |
| Dividend Distribution tax | 51,482 | 102,949 |
| | 8,027,196 | 4,696,979 |

| Notes On Financial Statements for the Year ended 31st March 2015 | | | | | | | | | | | |
|--|-----------------------|------------------|--------------|--------------------|-------------------|-------------------------|------------------------------|--------------------|--------------------|--|-------------------|
| Note No. 10 | | | | | | | | | | | |
| FIXED ASSETS | | | | | | | | | | | |
| Description of Assets | Gross Block | | | | Depreciation | | | | Net Block | | |
| | Cost as on 1.4.2014 ₹ | Additions ₹ | Deductions ₹ | As at 31.03.2015 ₹ | As at 1.4.2014 ₹ | Provided for the year ₹ | Adjustment during the year ₹ | As at 31.03.2015 ₹ | As at 31.03.2014 ₹ | | |
| Tangible Assets : | | | | | | | | | | | |
| Land | 29,618 | - | - | 29,618 | - | - | - | 29,618 | 29,618 | | 29,618 |
| Building (Factory & Ambarnath) | 14,240,152 | 1,430,310 | - | 15,670,462 | 4,924,152 | 414,209 | - | 10,332,101 | 9,316,000 | | 9,316,000 |
| Plant & Machinery | 28,671,356 | 3,740,789 | - | 32,412,146 | 19,846,939 | 987,790 | 667,897 | 10,909,520 | 8,824,417 | | 8,824,417 |
| Computers | 4,183,239 | 332,900 | - | 4,516,139 | 2,254,834 | 624,833 | 122,801 | 1,513,671 | 1,928,405 | | 1,928,405 |
| Furniture, Fitting & Office Equipment | 8,020,371 | 1,448,889 | - | 9,469,260 | 4,845,947 | 778,921 | 189,319 | 3,655,073 | 3,174,425 | | 3,174,425 |
| Motor Vehicles | 210,813 | - | - | 210,813 | 197,209 | - | 13,603 | 1 | 13,604 | | 13,604 |
| Electrical Fitting | 2,761,877 | 500,045 | - | 3,261,923 | 1,478,810 | 207,034 | 40,760 | 1,535,318 | 1,283,067 | | 1,283,067 |
| SUB TOTAL (A) | 58,117,426 | 7,452,933 | - | 65,570,361 | 33,547,891 | 3,012,788 | 1,034,380 | 27,975,302 | 24,569,536 | | 24,569,536 |
| Intangible Assets : | | | | | | | | | | | |
| SUB TOTAL (B) | - | - | - | - | - | - | - | - | - | | - |
| Capital Work in Progress : | | | | | | | | | | | |
| Building under Construction (Refer Note) | 14,766,844 | - | - | 14,766,844 | - | - | - | 14,766,844 | 14,766,844 | | 14,766,844 |
| SUB TOTAL (C) | 14,766,844 | - | - | 14,766,844 | - | - | - | 14,766,844 | 14,766,844 | | 14,766,844 |
| SUB TOTAL A + B + C | 72,884,270 | 7,452,933 | 0 | 80,337,205 | 33,547,891 | 3,012,788 | 1,034,380 | 42,742,146 | 39,336,380 | | 39,336,380 |
| Previous Year | 71,499,569 | 3,242,787 | 1,858,086 | 72,884,270 | 31,700,354 | 3,692,448 | 1,844,911 | 39,336,379 | 39,799,215 | | 39,799,215 |

Note : Additional Floor of the Building is completed and capitalisation pending for completion certificate to be received from B.M.C

Notes On Financial Statements for the Year ended 31st March 2015

| Note : 11 | As at 31st March 2015 | As at 31st March 2014 |
|--|--------------------------|--------------------------|
| NON CURRENT INVESTMENTS | | |
| Investment (Unquoted) : | | |
| Saraswat Bank (1000 Equity shares of Rs 10 each) | 10,000 | 10,000 |
| RDJ Constructions Pvt Ltd (Subsidiary) (9990 Equity Shares of Rs.10 Each) | 99,900 | 99,900 |
| | 109,900 | 109,900 |

| Note : 12 | As at 31st March 2015 | As at 31st March 2014 |
|------------------------------------|--------------------------|--------------------------|
| OTHER NON CURRENT ASSETS | | |
| ASSETS & LIABILITIES IN PAKISTAN : | 876,320 | 876,320 |
| | 876,320 | 876,320 |

| Note : 13 | As at 31st March 2015 | As at 31st March 2014 |
|---|--------------------------|--------------------------|
| INVENTORIES : | | |
| (At cost or Net realisable value which ever is less) | | |
| Raw Materials & Stores | 16,408,765 | 25,978,773 |
| Materials in process | 6,908,536 | 4,246,354 |
| Finished Goods | 30,702,917 | 21,883,252 |
| Trading Goods | 12,410,736 | 14,733,326 |
| | 66,430,954 | 66,841,705 |

| Note : 14 | As at 31st March 2015 | As at 31st March 2014 |
|--|--------------------------|--------------------------|
| TRADE RECEIVABLES | | |
| (Unsecured) | | |
| Debts outstanding for a period exceeding six months from the date they were due for payment. | | |
| Considered Good | 16,148,295 | 9,903,572 |
| Considered Doubtful | 4,274,437 | 3,719,403 |
| | 20,422,732 | 13,622,975 |
| Less: Provision for Doubtful Debts | 4,274,437 | 3,719,403 |
| | 16,148,295 | 9,903,572 |
| Others: Considered Good | 74,726,407 | 83,186,241 |
| | 90,874,702 | 93,089,812 |

| Note : 15 | As at 31st March 2015 | As at 31st March 2014 |
|-------------------------------------|--------------------------|--------------------------|
| CASH AND CASH EQUIVALENTS : | | |
| Cash in Hand | 149,868 | 121,348 |
| With Scheduled Banks : | | |
| In Current Account | 4,092,185 | 960,834 |
| Bank Guarantee Margin | 70,900 | 70,900 |
| In Fixed Deposits | 170,732 | 15,170,732 |
| In Fixed Deposits against LC Margin | 1,410,725 | 1,304,778 |
| In Dividend Account | 230,370 | 195,580 |
| | 6,124,779 | 17,824,172 |

Notes On Financial Statements for the Year ended 31st March 2015

| Note : 16 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| SHORT TERM LOANS AND ADVANCES | | |
| Unsecured, Considered Good | | |
| Loans & Advances to employees | 107,600 | 103,600 |
| Prepaid Expenses | 382,576 | 357,730 |
| Expenses Recoverable | - | 206,710 |
| Advance Tax | 1,428,514 | 1,095,979 |
| <u>Balances with Govt Authorities :</u> | | |
| Modvat | 9,253 | 31,451 |
| Service Tax | - | 1,252,480 |
| Excise Receivable | 525,628 | 525,628 |
| Central Excise Duty (PLA) | 86,998 | 398,065 |
| Sales Tax Receivable | 1,666,786 | 864,256 |
| Advance to Subsidiary Company | - | 30,000 |
| | 4,207,355 | 4,865,899 |

| Note : 17 | As at 31st March 2015 | As at 31st March 2014 |
|--|----------------------------------|----------------------------------|
| OTHER CURRENT ASSETS | | |
| Accrued Interest on FD | 39,725 | 432,205 |
| <u>Sundry Deposits :</u> | | |
| Unsecured , Considered Goods | 2,811,669 | 2,811,669 |
| Advances to suppliers for Raw Material | 2,121,239 | 1,984,161 |
| | 4,972,633 | 5,228,035 |

| Note : 18 | As at 31st March 2015 | As at 31st March 2014 |
|----------------------------|----------------------------------|----------------------------------|
| SALES : | | |
| Sale of Manufactured Goods | 235,291,937 | 269,711,553 |
| Less : Excise Duty | 30,477,987 | 39,333,966 |
| | 204,813,950 | 230,377,587 |
| Export Sale | 7,559,745 | 5,143,107 |
| Sale of Trading Goods | 9,564,753 | 13,515,859 |
| Repair Charges | 416,129 | 278,331 |
| Sale of Scrap | 1,954,948 | 2,837,632 |
| | 224,309,525 | 252,152,516 |

| Note : 19 | As at 31st March 2015 | As at 31st March 2014 |
|--|----------------------------------|----------------------------------|
| OTHER INCOME : | | |
| Interest from Bank on : Deposits | 788,683 | 1,075,910 |
| Dividend Income From : Shares | 1,000 | 1,000 |
| Other Non operating income Comprises : | | |
| Rental Income | 2,400,000 | 2,595,000 |
| Interest on Refund | 30,217 | - |
| | 3,219,900 | 3,671,910 |



Notes On Financial Statements for the Year ended 31st March 2015

| Note : 20 | As at 31st March 2015 | As at 31st March 2014 |
|--|--------------------------|--------------------------|
| Cost of Material Consumed: | | |
| Opening Stocks Raw Materials & Stores: | 25,978,773 | 16,628,622 |
| Add: Raw Material & Stores Purchases | 117,010,800 | 151,919,441 |
| | 142,989,573 | 168,548,063 |
| Closing Stocks Raw Material & Stores | 16,408,765 | 25,978,773 |
| | 126,580,808 | 142,569,290 |

| Note : 21 | As at 31st March 2015 | As at 31st March 2014 |
|------------------------------------|--------------------------|--------------------------|
| Purchases of Stock in Trade | | |
| Opening Stocks of Trading Goods | 14,733,326 | 12,055,977 |
| Add : Purchases | 3,704,961 | 10,021,778 |
| | 18,438,287 | 22,077,755 |
| Closing Stock | 12,410,736 | 14,733,326 |
| | 6,027,551 | 7,344,429 |

| Note : 22 | As at 31st March 2015 | As at 31st March 2014 |
|--|--------------------------|--------------------------|
| Changes in Inventory of Finished goods, work-in-progress and stock in trade | | |
| Opening Stocks : | | |
| Materials in Process | 4,246,354 | 1,812,580 |
| Finished Goods | 21,883,252 | 12,371,915 |
| | 26,129,606 | 14,184,495 |
| Less : Closing Stocks : | | |
| Materials in Process | 6,908,536 | 4,246,354 |
| Finished Goods | 30,702,917 | 21,883,252 |
| | 37,611,453 | 26,129,606 |
| | (11,481,847) | (11,945,111) |

| Note : 23 | As at 31st March 2015 | As at 31st March 2014 |
|---|--------------------------|--------------------------|
| EMPLOYEE BENEFIT EXPENSES : | | |
| Salaries, Wages, Bonus & Gratuity | 51,406,562 | 48,700,679 |
| Contribution to Provident & other funds & Schemes | 2,654,175 | 2,485,829 |
| Welfare Expenses | 5,079,669 | 5,015,953 |
| | 59,140,406 | 56,202,461 |

Notes On Financial Statements for the Year ended 31st March 2015

| Note : 24 | As at 31st March 2015 | As at 31st March 2014 |
|-----------------------|----------------------------------|----------------------------------|
| FINANCE COST : | | |
| Interest - Banks | 3,556,880 | 2,670,545 |
| Interest - Others | 260,000 | 260,000 |
| Bank Charges | 887,716 | 357,680 |
| | 4,704,596 | 3,288,225 |

| Note : 25 | As at 31st March 2015 | As at 31st March 2014 |
|--|----------------------------------|----------------------------------|
| OTHER EXPENSES : | | |
| Component Processing and other charges | 14,183,782 | 11,650,626 |
| Power, Fuel & Water Charges | 2,207,162 | 2,880,003 |
| Octroi, Transportation & Forwarding, etc. | 3,309,162 | 3,447,869 |
| Conveyance & Traveling | 5,823,379 | 5,058,284 |
| Reimbursement of Corporate Exp. | - | 1,800,000 |
| Printing & Stationery | 424,358 | 855,769 |
| Postage & Telephone | 1,196,978 | 1,115,807 |
| Cash Discount | 1,500,651 | 2,435,492 |
| Maintenance & Repairs : | | |
| Machinery 76,278 | | 34,250 |
| Building 256,293 | | 901,554 |
| Others 1,099,321 | 1,431,891 | 808,726 |
| Insurance & Keyman Insurance | 2,225,123 | 2,232,753 |
| Rent, Rates & Taxes | 469,056 | 1,136,254 |
| Excise Duty Paid | 1,980,968 | 896,305 |
| Indirect Taxes Paid | 2,547,270 | 1,383,188 |
| Discounts | 4,212,304 | 3,167,761 |
| Bad Debts & Misc Written Off | 687,634 | 907,375 |
| Legal & Professional Charges (Refer No.18 for Auditors Remuneration) | 2,300,794 | 1,829,680 |
| Advertisement & Publicity | 92,280 | 115,686 |
| Sales Commission | 165,517 | 57,582 |
| Sales Promotion | 803,240 | 1,016,864 |
| Miscellaneous Expenses | 5,961,081 | 4,764,426 |
| | 51,522,631 | 48,496,253 |



NOTE NO. 26

NOTES FORMING PART OF THE ACCOUNTS

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 in accordance with Indian Generally Accepted Accounting Principal (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standard as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, and the provision of the Act.

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:

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer and are recorded net of returns, trade discounts, rebates, sales tax & excise duty where ever applicable.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the Company's right to receive dividend is established by the Balance Sheet date.

4 EMPLOYEE BENEFITS**I) 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 is 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.

- c) 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, Stores & Packing materials and traded goods are stated 'At Cost or Net Realizable value' whichever is lower.

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 uses FIFO method for valuation. Cost of finished goods includes 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 & onetime use are fully depreciated in the year of acquisition. Depreciation on assets acquired or disposed off during the year is provided on a pro-rata basis from/up to the date of acquisition/disposal.

7 Depreciation

Depreciation on tangible asset is provided on the straight-line method over the useful lives of assets estimated by the Management, which is as per Schedule II of the Companies Act, 2013. Depreciation on assets purchased / sold during a period is proportionally charged. The Management estimates the useful lives of fixed assets as follows:-

| | Years |
|------------------------|-------|
| Buildings | 30 |
| Plant and Machinery | 15 |
| Office equipment | 5 |
| Electrical fittings | 10 |
| Computer – Servers | 5 |
| Computer – Others | 3 |
| Furniture and Fixtures | 10 |
| Vehicles | 6 |

8 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 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.

9 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 Investments 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.

10 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.

11 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

12 Segment Reporting Policies

Identification of segment is based on the major manufacturing products.

13 Earnings 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.

14 Provisions and contingent liabilities

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 for doubtful debts if debtors remain outstanding above one year. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

15 Provision for Taxation

- a) Provision for Taxation comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.
- b) Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.
- c) 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 tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.
- d) 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. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date.

- 16 Estimated value of contracts (Net of Advances) to be executed on capital account and not provided for Rs.Nil (Previous year Rs.Nil).
- 17 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.
- 18 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.

19 **PAYMENT TO THE AUDITORS :**
INCLUSIVE OF SERVICE TAX.

| | 2014-2015 Rupees | 2013-2012 Rupees |
|---|---------------------|---------------------|
| a) As Audit Fee - Statutory | 224,720 | 224,720 |
| b) In other capacities: | | |
| i) For Certification | 194,789 | 315,844 |
| ii) For Provident Fund & Gratuity Audit | 5,618 | 11,236 |
| iii) Tax Audit Fees | 84,270 | 84,270 |
| iv) Vat Audit Fees | 73,034 | 73,034 |
| v) Expenses reimbursed | 32,500 | 40,900 |

20 **MANAGERIAL REMUNERATION:**

| | 2014-2015 | 2013-2014 |
|---------------------------------|-----------|-----------|
| Salary and Allowances | 1,704,600 | 1,452,600 |
| Contribution to Statutory Funds | 144,000 | 122,400 |

Working Under Section 197 of Companies Act 2013 for FY 2014-15

| | 2014-2015 |
|---|--------------|
| Loss before tax | (11,977,507) |
| Limit Under Section 197 read with Clause A of Section II of Part II of Schedule V to the Companies Act 2013 - | |
| Effective capital - | |
| Share Capital | 63,47,000 |
| Reserves and surplus | 11,30,41,266 |
| long-term loans repayable after one year | 20,00,000 |
| Effective capital - | 12,13,88,266 |
| Limit on remuneration - | 42,00,000 |

Working Under Section 309 of Companies Act 1956 for FY 2013-14

| | 2013-2014 |
|--|-------------------|
| Profit / (Loss) before tax | 6,176,429 |
| Add: | |
| Remuneration to Managing Director | 1,575,000 |
| Bonus to Employees | 493,111 |
| Interest to Others | 260,000 |
| Maintenance & Repairs | 1,744,530 |
| Depreciation and Amortisation Expenses | 3,692,450 |
| Total | 13,941,520 |
| Limit Under Section 197 = 5% of Above | 697,076 |

Note: The above Remuneration paid is in excess of Limits prescribed U/S 309 of The Companies Act, 1956 and is subject to necessary approval.

21 Details of Licensed and Installed Capacity, Production, Stock and Turnover.

21 A Licensed And Installed Capacity And Production:

| | Licensed Capacity Nos. | Installed Capacity Nos. | Actual Production Nos. |
|--------------------|---------------------------------------|--|---------------------------------------|
| a) Rotary Switches | Not Specified | Not Applicable | 736,473 (845,939) |
| b) Micro Switches | Not Specified | Not Applicable | 481,994 (574,155) |
| c) Counters | Not Specified | Not Applicable | 89,344 (101,132) |
| d) Water Meters | Not Specified | Not Applicable | 847 (265) |

21 B TURNOVER:

| | 2011-2015 | | 2013-2014 | |
|----------------------------|------------------|--------------------|------------------|--------------------|
| | Unit Nos. | Amount Rs. | Unit Nos. | Amount Rs. |
| MANUFACTURED GOODS. | | | | |
| a) Rotary Switch | 733926 | 170,420,801 | 837348 | 202,415,774 |
| b) Micro Switches | 477721 | 27,239,180 | 604477 | 35,411,735 |
| c) Counters | 80858 | 15,021,545 | 101310 | 20,248,397 |
| d) Water Meters | 273 | 3,016,889 | 19 | 336,348 |
| e) Others | | 27,153,267 | | 16,442,405 |
| TRADED GOODS | 55,460 | 9,564,753 | 53,156 | 13,515,859 |
| Total :- | | 252,416,435 | | 288,370,518 |

21 C OPENING STOCK AND CLOSING STOCK OF FINISHED GOODS :

| | Opening Stock | | Closing Stock | |
|-------------------|------------------------|--------------------------|--------------------------|---------------------------|
| | Qty Nos. | Value Rs. | Qty Nos. | Value Rs. |
| a) Rotary Switch | 68,926 (60,335) | 9,088,493 (6,786,218) | 71473 (68926) | 10,503,088 (9,088,493) |
| b) Micro Switches | 34,009 (64,331) | 1,255,562 (2,519,895) | 38282 (34009) | 2,175,465 (1,255,562) |
| c) Counters | 1,956 (2,134) | 472,140 (521,354) | 10442 (1956) | 2,088,277 (472,140) |
| d) Water Meters | 247 (01) | 2,759,158 (3,239) | 821 (247) | 9,184,337 (2,759,158) |
| e) Others | 4,083,634 (211,414) | 8,307,899 (2,541,208) | 2,758,529 (4,083,634) | 6,751,751 (8,307,899) |

Previous year's Figures are given in brackets.

21 D DETAILS OF TRADING ITEMS :

| | 2014-2015 | | 2013-2014 | |
|------------------|-----------|------------|-----------|------------|
| | Unit Nos. | Amount Rs. | Unit Nos. | Amount Rs. |
| a) Opening Stock | 109171 | 14,733,326 | 127,894 | 12,055,977 |
| b) Purchases | 27011 | 3,704,961 | 34,433 | 10,021,778 |
| c) Turnover | 55,460 | 9,564,573 | 53,156 | 13,515,859 |
| d) Closing stock | 80722 | 12,410,736 | 1,09,171 | 14,733,326 |

21 E DETAILS OF RAW MATERIALS & STORES CONSUMED :

| | 2014-2015 | | 2013-2014 | |
|---|-----------|-------------|-----------|-------------|
| | Qty | Value Rs. | Qty. | Value Rs. |
| a) Bimetal Tips & Components | 4906204 | 10,671,707 | 5,643,382 | 16,366,718 |
| b) Copper & PB | 4885 | 2,986,346 | 4,065 | 2,797,448 |
| c) Brass | 8011 | 742,692 | 43 | 18,855 |
| d) Steel & aluminum | 32158 | 2,460,506 | 51,025 | 3,565,183 |
| e) Plastic Powder & Moulding Component | 44305 | 1,603,079 | 600,708 | 2,209,971 |
| f) Motors | 12011 | 2,726,497 | 8,403 | 1,900,669 |
| g) Others | | 105,389,981 | | 115,710,446 |
| | | 126,580,808 | | 142,569,290 |

21 F VALUE OF IMPORTS (C.I.F.):

| | 2014-2015 Rupees | 2013-2014 Rupees |
|-----------------------------|---------------------|---------------------|
| a) Raw Materials | 1,764,262 | 5,916,791 |
| b) Finished Goods (Trading) | 9,896 | 6,203,507 |

21 G CONSUMPTION OF RAW MATERIALS & STORES

| | 2014-2015 | | 2013-2014 | |
|---------------|---------------------------------------|------------------|---------------------------------------|------------------|
| | Percentage Of Total Consumption | Amount Rupees | Percentage of Total Consumption | Amount Rupees |
| a) Imported | 1.46% | 1,764,262 | 4.29% | 5,916,791 |
| b) Indigenous | 98.54% | 119,362,250 | 95.71% | 132,051,817 |

22 EARNINGS IN FOREIGN CURRENCY :

| | 2014-2015 Rupees | 2013-2014 Rupees |
|----------------------------|---------------------|---------------------|
| a) F.O.B. Value of Exports | 7,405,065 | 5,004,578 |

23 EXPENDITURE IN FOREIGN CURRENCY :

| | 2014-2015 Rupees | 2013-2014 Rupees |
|---------------------------|---------------------|---------------------|
| a) Foreign bank charges | 50,447 | 76,019 |
| b) Brokerage & Commission | 165,517 | Nil |

24 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 :

| | 2014-15 Rupees | 2013-14 Rupees |
|---|-------------------|-------------------|
| Employer's Contribution to Provident Fund | 1,114,764 | 1,416,402 |
| Employer's Contribution to Pension Fund | 1,137,300 | 783,601 |

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 31.03.2015 | | AS AT 31.03.2014 | |
|---|----------------------|---------------------------------|----------------------|---------------------------------|
| | Gratuity Funded | Leave Encashment Unfunded | Gratuity Funded | Leave Encashment Unfunded |
| A. Changes in Present Value of obligation | | | | |
| Present Value of Obligation | 11,363,260 | 2,400,382 | 11,264,225 | 2,792,935 |
| Interest Cost | 909,061 | 190,830 | 901,138 | 261,139 |
| Current Service Cost | 1,908,681 | 418,617 | 1,604,038 | 465,401 |
| Benefit Paid | 2,395,219 | 1,023,731 | 1,909,958 | 437,597 |
| Actuarial Gain/Loss on Obligations | 489,039 | -1,254,453 | 496,183 | 681,496 |
| Present Value of Obligation | 11,296,744 | 3,240,551 | 11,363,260 | 2,400,382 |
| B. Fair Value of Plan Assets | Gratuity Unfunded | Leave Encashment Funded | Gratuity Unfunded | Leave Encashment Funded |
| Fair Value of the Plan Assets | 10,837,300 | N.A | 10,803,307 | N.A |
| Expected return on Plan Assets | 939,167 | N.A | 930,132 | N.A |
| Contributions | 1,074,482 | N.A | 1,013,819 | N.A |
| Benefits Paid | 2,395,219 | N.A | 1,909,958 | N.A |
| Actuarial Gain/Loss on Plan Assets | NIL | N.A | NIL | N.A |
| Fair Value of the Plan Assets | 10,455,730 | N.A | 10,837,300 | N.A |
| C. Amount Recognized in the Balance Sheet. | Gratuity Unfunded | Leave Encashment Funded | Gratuity Unfunded | Leave Encashment Funded |
| Present Value of Obligation | 11,296,744 | 3,240,551 | 11,363,260 | 2,400,382 |
| Fair Value of the Plan Assets | 10,455,730 | N.A | 10,837,300 | N.A |
| D. Reconciliation of Balance Sheet. | Gratuity Unfunded | Leave Encashment Funded | Gratuity Unfunded | Leave Encashment Funded |
| Present Value of Obligation | 11,363,260 | 2,400,382 | 11,264,225 | 2,792,935 |
| Total Expenses recognized in Profit & Loss A/c | 1,426,320 | 1,863,860 | 812,946 | 437,597 |
| Actuarial Gain/Loss | 418,354 | N.A | 299,908 | N.A |
| Employer's Contribution | 1,074,482 | 1,023,731 | 1,013,819 | 830,150 |
| Present Value of Obligation | 11,296,744 | 3,240,511 | 11,363,260 | 2400,382 |
| E. Assumptions | Gratuity Unfunded | Leave Encashment Funded | Gratuity Unfunded | Leave Encashment Funded |
| Actuarial Return on Plan Asset | 939,167 | N.A | 930,132 | N.A |
| Mortality Table | LIC (1994-96) | LIC (1994-96) | LIC (1994-96) | LIC (1994-96) |
| | Ultimate | Ultimate | Ultimate | Ultimate |
| Discount Rate | 8% | 7.95% | 8% | 9.35% |
| Expected Rate of Return on Plan Assets | 8% | 8% | 8% | 8% |
| Salary Escalation | 4% | 6% | 4% | 6% |

Fare value of plan assets at the end of period Rs 10,455,730/- is funded fully with Life Insurance Corporation of India



- 25 During the year, the company has taken physical verification of fixed assets and noted discrepancy of Rs Nil (W.D.V.) (P. Y Nil) of Fixed Assets and the same were adjusted and discarded in the books of accounts
- 26 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated over the revised/ remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted, in the opening balance of General Reserves amounting to Rs. 1,034,379/-.
- 27 Disclosure of Related Parties / Transactions With Related Parties:-

| Relationship | Name of Related Party |
|--|---|
| Subsidiary company | RDJ Construction Private Limited |
| Group Companies (Enterprise over which Director and/or his relatives has significant influence) | CMS Traffic Systems Limited CMS Computers Limited Jess Prasad Engg. And Metallurgical Services Pvt. Ltd ST Energy Solution Private Limited CMS Engineering Services Private Limited G.G. Constructions Private Limited Datacom Computer Services Private Limited Dynamic Hydro Machines Private Limited Mailtek Services (India) Limited Netprint Solution India Private Limited New Video Private Limited CMS – Ident Pvt. Ltd. Computer Products and Services Pvt. Ltd. Dominant Developers Pvt. Ltd. Acu-Soft Technologies Pvt. Ltd. CMS-DITL Ltd. Computer Maintenance Service Royal Virgo Travels Systime Computers Limited CMS Universal Solution P Ltd CMS Info System Ltd. Resergent Infotech Pvt.Ltd. People Upliftment Foundation CMS Marshal Limited CMS Securitas Limited Money ease Capital Pvt. Ltd. CMS I.T Services Pvt.Ltd |

Key Management Personnel (KMP)

Directors :
 Mrs. Raju R. Grover
 Ms. Aarti R. Grover
 Mrs. Sona P. Ramchandani
 Mrs. Pramila Prakash Merani
 Mrs.Savitri Lal Butani
 Mr.Deepak Potdar (CFO)
 Miss. Kamaleshwari Bind (CS)



| Sr. No. | Name of the Related Party | Relationship | Nature | Amount Rs. | O/S as on 31.03.2015 | |
|------------|----------------------------------|--------------------|--------------------------------------|--------------------------------|--|---------------------------------|
| I | Holding Companies | | | | | |
| 1 | CMS Traffic Systems Ltd. | Group Company | Sales | 4,739,747.83 (3,194,145.55) | 4,564,481.37 Dr. (4,834,542.48) Dr. | |
| 2 | CMS Traffic Systems Ltd. | Group Company | Reimbursement Of Salary | 1,148,277 (748982.80) | | |
| 3 | CMS Traffic Systems Ltd | Group Company | Conveyance Paid Reimbursed | Nil (9974) | | |
| 4 | CMS Traffic Systems Ltd | Group Company | Material Purchased | Nil (23191) | | |
| II | Group Companies | | | | | |
| 5 | CMS Computers Limited | Group Company | Reimbursement of Elect. Chrgs | 1,671,380 (2,371,666) | 4,093,419.74 Cr. (6,150,089.27) Cr | |
| 6 | CMS Computers Limited | Group Company | Rent Received | 2,696,640 (2,696,640) | | |
| 7 | CMS Computers Limited | Group Company | Reimbursement of Water Charges | 103,723 (Nil) | | |
| 8 | CMS Computers Limited | Group Company | Transport & Import Duty Charges paid | Nil (107,080) | | |
| 9 | CMS Computers Limited | Group Company | Sales | 3,009,071.39 (2,878,757.20) | | |
| 10 | CMS Computers Limited | Group Company | Fixed Assets Purchased | Nil (25,313) | | |
| 11 | CMS Computers Limited | Group Company | Reimbursement Of Salary | 53,596 (48,622) | | |
| | CMS Computers Limited | Group Company | Purchases | 122,049 (Nil) | | |
| 12 | CMS Computers Limited | Group Company | Computer Maint.Chrgs Paid | 49,276 (Nil) | | |
| 13 | CMS Computers Limited | Group Company | Reim of Corp. Exp. | Nil (2,022,480) | | |
| 14 | Systime Computers System Limited | Group Company | | - - | | 339,657 Cr. (339,657) Cr. |
| 15 | Royal Virgo Travels | Director's firm | Interest on Loan | 260,000 (260000) | | 2,000,000 Cr. (2000,000) Cr. |
| 16 | RDJ Construction Pvt. Ltd | Subsidiary Company | Advance | Nil (20,000) | | Nil. (30,000) Dr |
| III | Key management Person | | | | | |
| 17 | Ms. Aarti Grover | Managing Director | Salary & Perquisites | 1,704,600 (1,452,600) | 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



- 28** 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 2014-2015.
- 29** During the year the Company has reviewed Accounts Receivable and reversed provision for doubtful debts Rs. 555,034. (P.Y. Provision made.Rs 348,923).
- 30** Segment wise Reporting as per Note No. 27.
- 31** 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.
- 32** Sundry Debtors and Creditors are subject to confirmation and reconciliation if any.
- 33** Previous Years figures have been regrouped / rearranged wherever necessary.

As per our report of even date attached

For N.D. KAPUR & CO.

Firm Registration No: 001196N

Chartered Accountants

Sd/-

S. K. AGRAWAL

Partner

Mumbai

Date : 30th May 2015

For and on behalf of the Board

Sd/-

Aarti Grover
Managing Director

Sd/-

Raju Grover
Director

Sd/-

Deepak Potdar
Chief Financial Officer

Sd/-

Kamleshwari Bind
Company Secretary

**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

| | 2014-2015 | 2013-2014 |
|--|---------------------|--------------------|
| 1. Segment Reserve (Net Sale/ Income from) | | |
| a. Segment - Switches | 165,909,472 | 199,940,785 |
| b. Segment - Counters | 24,445,754 | 23,047,254 |
| c. Segment - Others | 33,954,299 | 29,164,478 |
| TOTAL | 224,309,525 | 252,152,517 |
| Less : Intersegment Revenue | - | - |
| | 224,309,525 | 252,152,517 |
| 2. Segment Results (Profit)(+)/Loss(-) before tax and interest from segment | | |
| a. Segment - Switches | 36,625,261 | 49,668,184 |
| b. Segment - Counters | 4,987,462 | 6,793,544 |
| c. Segment - Others | 7,509,553 | 6,535,672 |
| TOTAL | 49,122,276 | 62,997,400 |
| Add : Other Income | 3,219,900 | 3,671,910 |
| Less : (i) Interest | 4,704,596 | 3,288,225 |
| (ii) Other unallocable expenditure net off unallocable income | 59,615,087 | 57,204,656 |
| Total Profit/(Loss) before Tax | (11,977,507) | 6,176,429 |

For N.D KAPUR & CO.

Firm Registration No:001196N

Chartered Accountants

Sd/-

S.K.AGRAWAL

Partner

MUMBAI

Date: 30th May 2015

For and on behalf of the Board

Sd/-

AARTI GROVER

Managing Director

Sd/-

Deepak Potdar

Chief Financial Officer

Sd/-

RAJU GROVER

Director

Sd/-

Kamleshwari Bind

Company Secretary



INDEPENDENT AUDITORS' REPORT

To
THE MEMBERS OF
KAYCEE INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Kaycee Industries Limited** ("the Holding Company") and its subsidiary (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Profit and Loss Statement and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act 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 Consolidated Balance Sheet, of the consolidated state of affairs of the Group and its jointly controlled companies as at 31st March, 2015;
- ii) in the case of the Consolidated Statement of Profit and Loss, of the consolidated loss for the year ended on that date; and
- iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of one subsidiary company, whose financial statements reflect total assets of Rs. 39,215,069/- as at March 31, 2015, total revenues of Rs. 121,848/- and net cash flows of Rs. 5,794,575/- for the year then ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Report On Other Legal And Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2015 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditors' Report in accordance with rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. there is no pending litigation as on 31 March 2015 and therefore the Holding Company and Subsidiary Company have not made any disclosure in this regard in its financial statements;
- ii. the Holding Company and Subsidiary Company did not have any long-term contracts including derivatives contracts and therefore no provision is required to be made in this regard;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and Subsidiary Company during the year ended 31 March 2015.

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

Sd/-
S. K. AGRAWAL
Partner
Membership No. 13968

Dated: May 30, 2015
Mumbai

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT****As stated in Para 1 of 'Report on Other Legal and Regulatory Requirements' in our Auditors' Report of even date to the Members of Kaycee Industries Limited on the consolidated financial statements for the year ended 31 March 2015**

1. In respect of its fixed assets:
 - a) The Holding Company and Subsidiary Company are in the process of updating records showing full particulars, including quantitative details and situation, of its fixed assets.
 - b) All the fixed assets have been physically verified by the management according to a regular program, which in our opinion, is reasonable having regard to the size of the Holding Company and Subsidiary Company and the nature of its assets. No material discrepancies have been noticed on such verification.
2.
 - a) The inventory has been physically verified by the respective Management of the Holding Company. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the Management of the Holding Company are reasonable and adequate in relation to the size of the aforesaid Holding Company and the nature of their business.
 - c) The Holding Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification of inventory of the aforesaid Company as compared to the respective book records.
 - d) Subsidiary Company did not have any inventory during the financial year ended 31 March 2015.
3. The Holding Company and Subsidiary Company have not granted any loans, secured or unsecured, to companies, firm or other parties covered in the register maintained under section 189 of the Companies Act, 2013, and hence clause 3(iii) of the Companies (Auditor's Report) Order 2015 is not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and Subsidiary Company and the nature of their business with regard to purchase of inventory and fixed assets and for sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
5. The Holding Company and Subsidiary Company have not accepted any deposit from the public.
6. As informed to us, the maintenance of Cost Records has not been prescribed by Central Government under Section 148 of the Act for any of the goods sold or services rendered by the Holding Company and Subsidiary Company for the accounting year ended on 31st March 2015.
7. In respect of statutory dues:
 - a) According to the information and explanations given to us and on the basis of our examination of the records of the Holding Company and Subsidiary Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state



insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Holding Company and Subsidiary Company with the appropriate authorities to the extent applicable to these companies.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute as at 31 March 2015, except given below in case of Holding Company:-

| Name of the Statute | Nature of the dues | Year | Forum where dispute is pending | Amount (Rs in lacs) |
|-----------------------------|--------------------|---------|--------------------------------|---------------------|
| The Central Excise Act 1944 | Excise | 2007-08 | Superintendent of Excise | 3.96 |

- c. According to the information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the Rules made thereunder.
8. On a consolidated basis, the Holding Company and its Subsidiary Company do not have any accumulated losses at the end of the financial year and have incurred cash losses in the financial year and have not incurred cash losses in the immediately preceding financial year.
 9. Based on our audit procedures and according to the records, information and explanation given to us by the Holding Company and its Subsidiary Company, there is no default in repayment of dues to financial institutions or banks. The Holding Company and its Subsidiary Company have not issued any debentures and therefore question of default in repayment of dues to debenture holders does not arise.
 10. According to the information and explanations given to us, the Holding Company and its Subsidiary Company have not given any guarantee for loans taken by others from any bank or financial institutions.
 11. The Holding Company and its Subsidiary Company have not raised any term loan during the year.
 12. According to the information and explanations given to us and the basis of examination of books of accounts and other records of the Holding Company, we have not come across any fraud on or by the Holding Company and its Subsidiary Company, noticed or reported during the course of our audit, nor have we been informed of such case by the Management.

For N. D. KAPUR & CO.
Chartered Accountants
 Firm's Registration No: 001196N
 Sd/-
S. K. AGRAWAL
Partner
 Membership No. 13968

Mumbai
 Dated: May 30, 2015

KAYCEE INDUSTRIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

| | Note No. | 31st March, 2015 Rupees | 31st March, 2014 Rupees |
|--|----------|----------------------------|----------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 SHAREHOLDERS' FUNDS : | | | |
| (a) Share Capital | 1 | 6,347,100 | 6,347,100 |
| (b) Reserves & Surplus | 2 | 116,769,316 | 129,512,798 |
| (c) Money received against share warrants Minority Interest | | 3,431 | 3,373 |
| | | 123,119,847 | 135,863,271 |
| 2 SHARE APPLICATION MONEY PENDING ALLOTMENT : | | | |
| | | - | - |
| 3 NON-CURRENT LIABILITIES | | | |
| (a) Long term Borrowings | 3 | 28,912,824 | 32,926,394 |
| (b) Deferred Tax Liabilities | 4 | - | - |
| (c) Other Long term Liabilities | | - | - |
| (d) Long term Provisions | 5 | 4,666,831 | 3,521,718 |
| | | 33,579,655 | 36,448,112 |
| 4 CURRENT LIABILITIES | | | |
| (a) Short Term Borrowings | 6 | 35,575,355 | 28,065,097 |
| (b) Trade payables | 7 | 41,156,830 | 52,655,907 |
| (c) Other Current Liabilities | 8 | 14,892,598 | 5,156,857 |
| (d) Short Term Provisions | 9 | 8,027,197 | 4,696,980 |
| | | 99,651,980 | 90,574,841 |
| TOTAL | | | |
| | | 256,351,482 | 262,886,224 |
| II. ASSETS | | | |
| 1 NON CURRENT ASSETS | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | 10 | 34,898,327 | 24,569,536 |
| (ii) Intangible Assets | | - | - |
| (iii) Capital Work in Progress | | 14,766,844 | 14,766,844 |
| (iv) Intangible assets under development | | - | - |
| (b) Non current Investment | 11 | 10,000 | 10,000 |
| (c) Deferred Tax Assets | 4 | 935,524 | 355,531 |
| (d) Long Term loans and Advances | 12 | 26,316,153 | 34,411,507 |
| (e) Other Non Current Assets | 13 | 876,320 | 876,320 |
| | | 77,803,168 | 74,989,738 |
| 2 CURRENT ASSETS | | | |
| (a) Current Investments | | - | - |
| (b) Inventories | 14 | 66,430,954 | 66,841,705 |
| (c) Trade Receivables | 15 | 90,874,702 | 93,089,813 |
| (d) Cash and cash equivalents | 16 | 11,850,172 | 17,864,653 |
| (e) Short-term loans and advances | 17 | 4,303,540 | 4,865,630 |
| (f) Other current assets | 18 | 5,088,946 | 5,234,685 |
| | | 178,548,314 | 187,896,486 |
| TOTAL | | | |
| | | 256,351,482 | 262,886,224 |

Notes Forming Part of the Accounts

1 TO 27

In terms of our report attached.

For N.D KAPUR & CO.

Firm Registration No:001196N

Chartered Accountants

Sd/-

S.K.AGRAWAL

Partner

MUMBAI

Date: 30th May 2015

For and on behalf of the Board

Sd/-

AARTI GROVER
Managing Director

Sd/-

Deepak Potdar
Chief Financial Officer

Sd/-

RAJU GROVER
Director

Sd/-

Kamleshwari Bind
Company Secretary

KAYCEE INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

| | Note No. | 31st March, 2015 Rupees | 31st March, 2014 Rupees |
|---|----------|----------------------------|----------------------------|
| A CONTINUING OPERATION | | | |
| 1 Revenue from operations | 19 | 224,309,525 | 252,152,516 |
| 2 Other Income | 20 | 3,341,748 | 3,671,910 |
| 3 Total Revenue | | 227,651,273 | 255,824,426 |
| 4 Expenses | | | |
| (a) Cost of materials consumed | 21 | 126,580,808 | 142,569,290 |
| (b) Purchases of stock-in-trade | 22 | 6,027,551 | 7,344,429 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 23 | (11,481,847) | (11,945,111) |
| (d) Employee Benefit Expenses | 24 | 59,140,406 | 56,202,461 |
| (e) Finance cost | 25 | 4,704,887 | 3,288,339 |
| (f) Depreciation and Amortisation Expenses | 10 | 3,012,787 | 3,692,450 |
| (g) Other Expenses | 26 | 51,549,160 | 48,599,529 |
| Total Expenses | | 239,533,752 | 249,751,387 |
| 5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4) | | (11,882,479) | 6,073,039 |
| 6 Exceptional items | | - | - |
| 7 Profit / (Loss) before extraordinary items and tax (5 - 6) | | (11,882,479) | 6,073,039 |
| 8 Extraordinary items | | - | - |
| 9 Profit / (Loss) before tax (7 - 8) | | (11,882,479) | 6,073,039 |
| 10 Tax Expenses | | | |
| (a) Current tax | | 38,000 | 1,925,000 |
| (b) Prior Period | | (269) | (169,563) |
| (c) Deferred Tax | | (579,993) | 240,654 |
| 11 Profit / (Loss) from continuing operations (9 - 10) | | (11,340,217) | 4,076,948 |
| Less: Share of Minority Interest | | 57.30 | (241.36) |
| Profit for the year (after adjustment of Minority Interest) | | (11,340,274) | 4,077,189 |
| Earning per equity share of face value of Rs.100 each (Basic & Diluted) | | (178.67) | 64.24 |

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

1 TO 27

For and on behalf of the Board

For N.D KAPUR & CO.

Firm Registration No:001196N

Chartered Accountants

Sd/-

S.K.AGRAWAL

Partner

MUMBAI

Date: 30th May 2015

Sd/-

AARTI GROVER

Managing Director

Sd/-

Deepak Potdar

Chief Financial Officer

Sd/-

RAJU GROVER

Director

Sd/-

Kamleshwari Bind

Company Secretary

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2015

| | 2013-2015 | | 2013-2014 | |
|---|-------------|---------------------|-------------|---------------------|
| | RS | RS | RS | RS |
| A. | | | | |
| Cash Flow From Operating Activities | | | | |
| Net Profit/(Loss) Before Tax and extra Ordinary Items | | (11,882,479) | | 6,073,039 |
| Adjusted for | | | | |
| Provision for Doubtful Debts` | 555,034 | | (348,923) | |
| Depreciation | 3,012,787 | | 3,692,450 | |
| Interest received | (910,531) | | (1,075,910) | |
| Dividend received | (1,000) | | (1,000) | |
| Adjustment in Exchange Gain / Loss | (271,119) | | 138,585 | |
| Rent Received | (2,400,000) | | (2,595,000) | |
| Loss on Fixed Asset discarded | - | | 13,175 | |
| Interest Charged | 4,704,596 | 4,689,767 | 3,288,225 | 3,111,602 |
| Operating profit before working capital changes | | (7,192,711) | | 9,184,641 |
| Adjustments for: | | | | |
| Trade and other receivables | | - | | - |
| Inventories | | - | | - |
| Trade payable / Other Liabilities | | 13,695,669 | | (26,821,470) |
| Cash generated from operations | | 6,502,958 | | (17,636,829) |
| Direct taxes Paid | | 209,727 | | (633,547) |
| Net cash flow before extra ordinary items | | 6,712,685 | | (18,270,376) |
| Prior Period items | | - | | (307,533) |
| NET CASH FROM OPERATING ACTIVITIES (A) | | 6,712,685 | | (18,577,909) |
| B. | | | | |
| Cash flow from investing activities | | | | |
| Inflow | | | | |
| Interest received | | 910,531 | | 1,075,910 |
| Dividend received | | 1,000 | | 1,000 |
| Rent received | | 2,400,000 | | 2,595,000 |
| Outflow - New FD | | - | | - |
| Purchase of fixed assets | | (14,375,957) | | (3,229,614) |
| | | - | | - |
| NET CASH USED IN INVESTING ACTIVITIES (B) | | (11,064,426) | | 442,296 |
| C. | | | | |
| Cash flow from financing activities | | | | |
| Inflow | | | | |
| Increase in bank borrowing -NET | | 3,496,688 | | 4,450,747 |
| Increase in Share Capital | | | | |
| Share Premium Account | | | | |
| Outflow | | | | |
| Dividend and dividend tax paid | | (737,649) | | (621,429) |
| exchanger rate difference | | | | |
| Interest paid | | (4,704,596) | | (3,288,225) |
| NET CASH USED IN FINANCING ACTIVITIES (C) | | (1,945,557) | | 33,661,093 |
| NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C) | | (6,297,299) | | 15,525,480 |
| CASH & CASH EQUIVALENTS-OPENING BALANCE | | 18,296,859 | | 2,771,379 |
| CASH & CASH EQUIVALENTS-CLOSING BALANCE | | 11,999,560 | | 18,296,859 |

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR N.D KAPUR & CO.

Firm Registration No:001196N

Chartered Accountants

Sd/-

S.K.AGRAWAL

Partner

MUMBAI

Date: 30th May 2015

For and on behalf of the Board

Sd/-

AARTI GROVER

Managing Director

Sd/-

Deepak Potdar

Chief Financial Officer

Sd/-

RAJU GROVER

Director

Sd/-

Kamleshwari Bind

Company Secretary

Consolidated Notes On Financial Statements for the Year ended 31st March 2015

| Note : 1 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| SHARE CAPITAL | | |
| AUTHORISED | | |
| 98,500 Equity Shares of Rs. 100/- each | 9,850,000 | 9,850,000 |
| ISSUED, SUBSCRIBED AND PAID UP: | | |
| 63,471 (P.Y 63,471) 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. | 6,347,100 | 6,347,100 |
| a) Reconciliation of the number of equity shares and share capital: | | |
| Issued, subscribed and fully paid up equity shares outstanding at beginning of the year | 63,471 | 53,471 |
| Add: Shares issued during the year | - | 10,000 |
| Issued, subscribed and fully paid up equity shares outstanding at end of the year | 63,471 | 63,471 |
| b) Details of Shareholder Holding more than 5% Shares | | |
| <u>Name of the Shareholder</u> | Cms Traffic System Limited | Cms Traffic System Limited |
| No. of Shares Held | 21,656 | 21,656 |
| % of Holding | 34.12% | 34.12% |
| <u>Name of the Shareholder</u> | Cms Computers Limited | Cms Computers Limited |
| No. of Shares Held | 24,063 | 24,069 |
| % of Holding | 37.91% | 37.92% |
| Note : 2 | As at 31st March 2015 | As at 31st March 2014 |
| RESERVES AND SURPLUS | | |
| Share Premium Account | | |
| Opening Balance | 57,374,552 | 25,254,552 |
| Add : Share Premium Credited on Share Issue | - | 32,120,000 |
| Closing Balance | 57,374,552 | 57,374,552 |
| General Reserve | | |
| Opening Balance | 22,503,587 | 21,003,587 |
| Less : Adjustment Related to Fixed Assets (Refer Note 27) | 1,034,379 | 1,500,000 |
| Closing Balance | 21,469,208 | 22,503,587 |
| Capital Reserve | 1 | 1 |
| Profit and Loss Account | | |
| Opening Balance | 49,638,034 | 47,798,732 |
| Add Profit/(Loss) for The year | (11,340,274) | 4,077,189 |
| | 38,297,760 | 51,875,921 |
| Less: Appropriations | | |
| Transfer to General Reserve | - | 1,500,000 |
| Proposed Dividend on equity shares | 317,350 | 634,700 |
| Tax On dividend | 51,482 | 102,949 |
| Closing Balance | 37,928,928 | 49,638,272 |
| Less: Adjustment for Minority Interest | 3,372 | 3,613 |
| Closing Balance | 37,925,556 | 49,634,659 |
| TOTAL | 116,769,316 | 129,512,798 |

Consolidated Notes On Financial Statements for the Year ended 31st March 2015

| Note : 3 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| LONG TERM BORROWINGS | | |
| Unsecured | | |
| Loan From Directors & Relatives | 28,912,824 | 29,727,824 |
| Loan From Associate Companies | - | 3,198,570 |
| | 28,912,824 | 32,926,394 |
| The Company do not have Any long term borrowing In the form of Term loan , debentures and Bonds in the reported financial year. | | |

| Note : 4 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| DEFFERED TAX ASSET/LIABILITY (NET) | | |
| (a) Deferred Tax Liabilities | | |
| i) on Depreciation/amortisation of Fixed Assets | 505,611 | 492,999 |
| ii) on Provision for doubtful debts | - | 113,208 |
| iii) on Other Timing Difference | - | - |
| TOTAL | 505,611 | 606,207 |
| (b) Deferred Tax Assets | | |
| i) on Provision for Gratuity & Leave encashment | 1,269,629 | 961,738 |
| ii) on Provision for doubtful debts | 171,506 | - |
| iii) on Other Timing Difference | - | - |
| TOTAL | 1,441,135 | 961,738 |
| TOTAL | 935,524 | 355,531 |

| Note : 5 | As at 31st March 2015 | As at 31st March 2014 |
|---------------------------------|----------------------------------|----------------------------------|
| LONG TERM PROVISIONS | | |
| Provision for Employee Benefits | | |
| Leave Encashment | 3,240,511 | 2,400,382 |
| Gratuity | 1,426,320 | 1,121,336 |
| TOTAL | 4,666,831 | 3,521,718 |

| Note : 6 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| SHORT TERM BORROWINGS | | |
| SECURED LOANS : | | |
| Working Capital loans from The Saraswat Co- Op Bank Ltd | | |
| Cash Credit | 3,723,547 | (69,457) |
| ODBD | 2,604,271 | 2,011,871 |
| Central bank of India | - | |
| Cash Credit | 26,226,191 | 20,673,465 |
| ODBD | 561,846 | 3,072,219 |
| | 33,115,855 | 25,688,097 |
| DEPOSITS : | | |
| Unsecured (Dealer,Distributor & Stockist) | 2,459,500 | 2,377,000 |
| TOTAL | 35,575,355 | 28,065,097 |

Consolidated Notes On Financial Statements for the Year ended 31st March 2015

| Note : 7 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| TRADE PAYABLES | 41,156,830 | 52,655,907 |
| TOTAL | 41,156,830 | 52,655,907 |
| 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 : 8 | As at 31st March 2015 | As at 31st March 2014 |
|---------------------------------------|----------------------------------|----------------------------------|
| OTHER CURRENT LIABILITIES | | |
| Outstanding Liabilities | 2,419,362 | 2,662,335 |
| Statutory Dues | 432,558 | 497,953 |
| Sales Tax Payable | 800,445 | - |
| Unclaimed Dividends | 230,370 | 195,580 |
| Unclaimed amount for fractional Share | 664 | 664 |
| Other Deposits | 18,000 | 18,000 |
| Advance From Customers | 2,291,199 | 1,782,325 |
| Advance against Property | 8,700,000 | - |
| | 14,892,598 | 5,156,857 |

| Note : 9 | As at 31st March 2015 | As at 31st March 2014 |
|--------------------------------|----------------------------------|----------------------------------|
| SHORT TERM PROVISIONS | | |
| Others : | | |
| Provision for Employee Benefit | 4,246,929 | 1,917,487 |
| Income Tax | - | - |
| Provision for Excise duty | 3,411,435 | 2,041,843 |
| Proposed Dividend | 317,350 | 634,700 |
| Dividend Distribution tax | 51,482 | 102,949 |
| | 8,027,196 | 4,696,979 |

| Consolidated Notes On Financial Statements for the Year ended 31st March 2015 | | | | | | | | | | | |
|---|-----------------------|-------------------|--------------|--------------------|-------------------|-------------------------|------------------------------|--------------------|--------------------|--------------------|--|
| Note No. 10 | | | | | | | | | | | |
| FIXED ASSETS | | | | | | | | | | | |
| Description of Assets | Gross Block | | | | Depreciation | | | | Net Block | | |
| | Cost as on 1.4.2014 ₹ | Additions ₹ | Deductions ₹ | As at 31.03.2015 ₹ | As at 1.4.2014 ₹ | Provided for the year ₹ | Adjustment during the year ₹ | As at 31.03.2015 ₹ | As at 31.03.2015 ₹ | As at 31.03.2014 ₹ | |
| Tangible Assets : | | | | | | | | | | | |
| Land | 29,619 | 6,923,024 | - | 6,952,643 | - | - | - | - | 6,952,643 | 29,619 | |
| Building (Factory & Ambemath) | 14,240,152 | 1,430,310 | - | 15,670,462 | 4,924,152 | 414,209 | - | 5,338,361 | 10,332,101 | 9,316,000 | |
| Plant & Machinery | 28,671,356 | 3,740,789 | - | 32,412,145 | 19,846,939 | 997,790 | 667,897 | 21,502,626 | 10,909,519 | 8,824,417 | |
| Computers | 4,183,239 | 332,900 | - | 4,516,139 | 2,254,834 | 624,833 | 122,801 | 3,002,468 | 1,513,671 | 1,928,405 | |
| Furniture, Fitting & Office Equipment | 8,020,371 | 1,448,889 | - | 9,469,260 | 4,845,947 | 778,921 | 189,319 | 5,814,188 | 3,655,073 | 3,174,425 | |
| Motor Vehicles | 210,813 | - | - | 210,813 | 197,209 | - | 13,603 | 210,812 | 1 | 13,604 | |
| Electrical Fitting | 2,761,877 | 500,045 | - | 3,261,922 | 1,478,810 | 207,034 | 40,760 | 1,726,604 | 1,535,319 | 1,283,066 | |
| SUB TOTAL (A) | 58,117,427 | 14,375,957 | - | 72,493,384 | 33,547,891 | 3,012,788 | 1,034,380 | 37,595,059 | 34,898,327 | 24,569,536 | |
| Intangible Assets : | | | | | | | | | | | |
| SUB TOTAL (B) | - | - | - | - | - | - | - | - | - | - | |
| Capital Work in Progress : | | | | | | | | | | | |
| Building under Construction (Refer Note) | 14,766,844 | - | - | 14,766,844 | - | - | - | - | 14,766,844 | 14,766,844 | |
| SUB TOTAL (C) | 14,766,844 | - | - | 14,766,844 | - | - | - | - | 14,766,844 | 14,766,844 | |
| SUB TOTAL A + B + C | 72,884,271 | 14,375,957 | - | 87,260,228 | 33,547,891 | 3,012,788 | 1,034,380 | 37,595,059 | 49,665,171 | 39,336,380 | |
| Previous Year | 71,499,570 | 3,242,787 | 1,858,086 | 72,894,271 | 31,700,354 | 3,692,448 | 1,844,911 | 33,547,891 | 39,336,380 | 39,799,216 | |

Note : Additional Floor of the Building is completed and capitalisation pending for completion certificate to be received from B.M.C

Consolidated Notes On Financial Statements for the Year ended 31st March 2015

| Note : 11 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| NON CURRENT INVESTMENTS | | |
| Investment (Unquoted) : | | |
| Saraswat Bank (1000 Equity shares of Rs 10 each) | 10,000 | 10,000 |
| | 10,000 | 10,000 |

| Note : 12 | As at 31st March 2015 | As at 31st March 2014 |
|-------------------------------------|----------------------------------|----------------------------------|
| LONG TERM LOANS AND ADVANCES | | |
| Advance against Property | 26,316,153 | 34,411,507 |
| | 26,316,153 | 34,411,507 |

| Note : 13 | As at 31st March 2015 | As at 31st March 2014 |
|------------------------------------|----------------------------------|----------------------------------|
| OTHER NON CURRENT ASSETS | | |
| ASSETS & LIABILITIES IN PAKISTAN : | 876,320 | 876,320 |
| | 876,320 | 876,320 |

| Note : 14 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| INVENTORIES | | |
| (At cost or Net realisable value which ever is less) | | |
| Raw Materials & Stores | 16,408,765 | 25,978,773 |
| Materials in process | 6,908,536 | 4,246,354 |
| Finished Goods | 30,702,917 | 21,883,252 |
| Trading Goods | 12,410,736 | 14,733,326 |
| | 66,430,954 | 66,841,705 |

| Note : 15 | As at 31st March 2015 | As at 31st March 2014 |
|--|----------------------------------|----------------------------------|
| TRADE RECEIVABLES | | |
| (Unsecured) | | |
| Debts outstanding for a period exceeding six months from the date they were due for payment. | | |
| Considered Good | 16,148,295 | 9,903,572 |
| Considered Doubtful | 4,274,437 | 3,719,403 |
| | 20,422,732 | 13,622,975 |
| Less: Provision for Doubtful Debts | 4,274,437 | 3,719,403 |
| | 16,148,295 | 9,903,572 |
| Others: Considered Good | 74,726,407 | 83,186,241 |
| | 90,874,702 | 93,089,813 |

Consolidated Notes On Financial Statements for the Year ended 31st March 2015

| Note : 16 | As at 31st March 2015 | As at 31st March 2014 |
|-------------------------------------|----------------------------------|----------------------------------|
| CASH AND CASH EQUIVALENTS : | | |
| Cash in Hand | 173,666 | 155,406 |
| With Scheduled Banks : | | |
| In Current Account | 3,293,780 | 967,257 |
| Bank Guarantee Margin | 70,900 | 70,900 |
| In Fixed Deposits | 6,670,732 | 15,170,732 |
| In Fixed Deposits against LC Margin | 1,410,725 | 1,304,778 |
| In Dividend Account | 230,370 | 195,580 |
| | 11,850,172 | 17,864,653 |

| Note : 17 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| SHORT TERM LOANS AND ADVANCES | | |
| Unsecured, Considered Good | | |
| Loans & Advances to employees | 107,600 | 103,600 |
| Prepaid Expenses | 382,576 | 357,730 |
| Expenses Recoverable | - | 206,710 |
| Advance Tax | 1,390,514 | 1,095,710 |
| <u>Balances with Govt Authorities :</u> | | |
| Modvat | 9,253 | 31,451 |
| Service Tax | - | 1,252,480 |
| Excise Receivable | 525,628 | 525,628 |
| Central Excise Duty (PLA) | 86,998 | 398,065 |
| Sales Tax Receivable | 1,666,786 | 864,256 |
| Other Advances | 134,185 | - |
| Advance to Subsidiary Company | - | 30,000 |
| | 4,303,540 | 4,865,630 |

| Note : 18 | As at 31st March 2015 | As at 31st March 2014 |
|--|----------------------------------|----------------------------------|
| OTHER CURRENT ASSETS | | |
| Accrued Interest on FD | 149,388 | 432,205 |
| <u>Sundry Deposits :</u> | | |
| Unsecured ,Considered Goods | 2,811,669 | 2,811,669 |
| Advances to suppliers for Raw Material | 2,121,239 | 1,984,161 |
| Miscellaneous Expenditure | 6,650 | 6,650 |
| | 5,088,946 | 5,234,685 |

| Note : 19 | As at 31st March 2015 | As at 31st March 2014 |
|----------------------------|----------------------------------|----------------------------------|
| SALES : | | |
| Sale of Manufactured Goods | 235,291,937 | 269,711,553 |
| Less : Excise Duty | 30,477,987 | 39,333,966 |
| | 204,813,950 | 230,377,587 |
| Export Sale | 7,559,745 | 5,143,107 |
| Sale of Trading Goods | 9,564,753 | 13,515,859 |
| Repair Charges | 416,129 | 278,331 |
| Sale of Scrap | 1,954,948 | 2,837,632 |
| | 224,309,525 | 252,152,516 |

Consolidated Notes On Financial Statements for the Year ended 31st March 2015

| Note : 20 | As at 31st March 2015 | As at 31st March 2014 |
|--|----------------------------------|----------------------------------|
| OTHER INCOME : | | |
| Interest from Bank on : Deposits | 910,531 | 1,075,910 |
| Dividend Income From : Shares | 1,000 | 1,000 |
| Other Non operating income Comprises : Rental Income | 2,400,000 | 2,595,000 |
| Misc Interest on Refund | 30,217 | - |
| | 3,341,748 | 3,671,910 |
| Note : 21 | As at 31st March 2015 | As at 31st March 2014 |
| Cost of Material Consumed: | | |
| Opening Stocks Raw Materials & Stores: | 25,978,773 | 16,628,622 |
| Add: Raw Material & Stores Purchases | 117,010,800 | 151,919,441 |
| | 142,989,573 | 168,548,063 |
| Closing Stocks Raw Material & Stores | 16,408,765 | 25,978,773 |
| | 126,580,808 | 142,569,290 |
| Note : 22 | As at 31st March 2015 | As at 31st March 2014 |
| Purchases of Stock in Trade | | |
| Opening Stocks of Trading Goods | 14,733,326 | 12,055,977 |
| Add : Purchases | 3,704,961 | 10,021,778 |
| | 18,438,287 | 22,077,755.07 |
| Closing Stock | 12,410,736 | 14,733,326 |
| | 6,027,551 | 7,344,429 |
| Note : 23 | As at 31st March 2015 | As at 31st March 2014 |
| Changes in Inventory of Finished goods, work-in-progress and stock in trade | | |
| Opening Stocks : | | |
| Materials in Process | 4,246,354 | 1,812,580 |
| Finished Goods | 21,883,252 | 12,371,915 |
| | 26,129,606 | 14,184,495 |
| Less : Closing Stocks : | | |
| Materials in Process | 6,908,536 | 4,246,354 |
| Finished Goods | 30,702,917 | 21,883,252 |
| | 37,611,453 | 26,129,606 |
| | (11,481,847) | (11,945,111) |

Consolidated Notes On Financial Statements for the Year ended 31st March 2015

| Note : 24 | As at 31st March 2015 | As at 31st March 2014 |
|---|----------------------------------|----------------------------------|
| EMPLOYEE BENEFIT EXPENSES : | | |
| Salaries, Wages, Bonus & Gratuity | 51,406,562 | 48,700,679 |
| Contribution to Provident & other funds & Schemes | 2,654,175 | 2,485,829 |
| Welfare Expenses | 5,079,669 | 5,015,953 |
| | 59,140,406 | 56,202,461 |

| Note : 25 | As at 31st March 2015 | As at 31st March 2014 |
|-----------------------|----------------------------------|----------------------------------|
| FINANCE COST : | | |
| Interest - Banks | 3,557,171 | 2,670,659 |
| Interest - Others | 260,000 | 260,000 |
| Bank Charges | 887,716 | 357,680 |
| | 4,704,887 | 3,288,339 |

| Note : 26 | As at 31st March 2015 | As at 31st March 2014 |
|--|----------------------------------|----------------------------------|
| OTHER EXPENSES : | | |
| Component Processing and other charges | 14,183,782 | 11,650,626 |
| Power, Fuel & Water Charges | 2,207,162 | 2,880,003 |
| Octroi, Transportation & Forwarding, etc. | 3,309,162 | 3,447,869 |
| Conveyance & Traveling | 5,824,549 | 5,058,284 |
| Reimbursement of Corporate Exp. | - | 1,800,000 |
| Printing & Stationery | 424,358 | 855,769 |
| Postage & Telephone | 1,196,978 | 1,115,807 |
| Cash Discount | 1,500,651 | 2,435,492 |
| Maintenance & Repairs : | | |
| Machinery | 76,278 | 34,250 |
| Building | 256,293 | 901,554 |
| Others | 1,099,321 | 808,726 |
| | 1,431,892 | |
| Insurance & Keyman Insurance | 2,225,123 | 2,232,753 |
| Rent, Rates & Taxes | 471,943 | 1,153,549 |
| Excise Duty Paid | 1,980,968 | 896,305 |
| Indirect Taxes Paid | 2,547,270 | 1,383,188 |
| Discounts | 4,212,304 | 3,167,761 |
| Bad Debts & Misc Written Off | 687,634 | 907,400 |
| Legal & Professional Charges (Refer No.18 for Auditors Remuneration) | 2,323,266 | 1,915,636 |
| Advertisement & Publicity | 92,280 | 115,686 |
| Sales Commission | 165,517 | 57,582 |
| Sales Promotion | 803,240 | 1,016,864 |
| Miscellaneous Expenses | 5,961,081 | 4,764,426 |
| | 51,549,161 | 48,599,530 |

**NOTE NO. 27****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015****SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS****1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

- a) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principal (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provision of the Act.
- 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.
- c) All the assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in the Schedule III to the Companies Act, 2013.

2 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Kaycee Industries Limited ('the Company') and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 – 'Consolidated Financial Statements' notified by the Companies (Accounting Standards) Rules, 2006 read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of Section 133 of the Companies Act, 2013".
- b) Minority Interest's share of net profit of subsidiary for the year is identified and adjusted in order to arrive at the net income attributable to shareholders of the Company.
- c) Minority Interest's share of net assets of subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- d) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

3 REVENUE RECOGNITION:

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer and are recorded net of returns, trade discounts, rebates, sales tax & excise duty where ever applicable.



Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the Company's right to receive dividend is established by the Balance Sheet date.

4. **EMPLOYEE BENEFITS**

i) **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 is 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.

c) 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, Stores & Packing materials and traded goods are stated 'At Cost or Net Realizable value' whichever is lower.

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 uses FIFO method for valuation. Cost of finished goods includes 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 & onetime use are fully depreciated in the year of acquisition. Depreciation on assets acquired or disposed off during the year is provided on a pro-rata basis from/up to the date of acquisition/disposal.



7 **Depreciation**

Depreciation on tangible asset is provided on the straight-line method over the useful lives of assets estimated by the Management, which is as per Schedule II of the Companies Act, 2013. Depreciation on assets purchased / sold during a period is proportionally charged. The Management estimates the useful lives of fixed assets as follows:-

| Years | |
|------------------------|----|
| Buildings | 30 |
| Plant and Machinery | 15 |
| Office equipment | 5 |
| Electrical fittings | 10 |
| Computer – Servers | 5 |
| Computer – Others | 3 |
| Furniture and Fixtures | 10 |
| Vehicles | 6 |

8 **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 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.

9 **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 Investments 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.

10 **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.

11 **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

12 **Segment Reporting Policies**

Identification of segment is based on the major manufacturing products.

13 **Earnings 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.

14 **Provisions and contingent liabilities**

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 for doubtful debts if debtors remain outstanding above one year.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

15 Provision for Taxation

- a) Provision for Taxation comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.
- b) Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.
- c) 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 tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.
- d) 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. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date.

16 Estimated value of contracts (Net of Advances) to be executed on capital account and not provided for Rs.Nil (Previous year Rs.Nil).

17 Holding 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.

18 Pakistan unit of the Holding 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.

**19 PAYMENT TO THE AUDITORS :
INCLUSIVE OF SERVICE TAX.**

| | 2014-2015 Rupees | 2013-2012 Rupees |
|---|-----------------------------|-----------------------------|
| a) As Audit Fee - Statutory | 247,192 | 235,956 |
| b) In other capacities: | | |
| i) For Certification | 194,789 | 315,844 |
| ii) For Provident Fund & Gratuity Audit | 5,618 | 11,236 |
| iii) Tax Audit Fees | 84,270 | 84,270 |
| iv) Vat Audit Fees | 73,034 | 73,034 |
| v) Expenses reimbursed | 32,500 | 40,900 |

20 MANAGERIAL REMUNERATION:

| | 2014-2015 | 2013-2014 |
|---------------------------------|------------------|------------------|
| Salary and Allowances | 1,704,600 | 1,452,600 |
| Contribution to Statutory Funds | 144,000 | 122,400 |

Working Under Section 197 of Companies Act 2013 for FY 2014-15

| | 2014-2015 Rs. |
|---|--------------------------|
| Loss before tax | (11,882,479) |
| Limit Under Section 197 read with Clause A of Section II of Part II of Schedule V to the Companies Act 2013 - | |
| Effective capital - | |
| Share Capital | 63,47,000 |
| Reserves and surplus | 11,67,69,316 |
| long-term loans repayable after one year | 28,912,824 |
| Effective capital - | 152,029,240 |
| Limit on remuneration - | 42,00,000 |

Working Under Section 309 of Companies Act 1956 for FY 2013-14

| | 2013-2014 |
|--|-------------------|
| Profit / (Loss) before tax | 6,073,038 |
| Add: | |
| Remuneration to Managing Director | 1,575,000 |
| Bonus to Employees | 493,111 |
| Interest to Others | 260,000 |
| Maintenance & Repairs | 1,744,530 |
| Depreciation and Amortisation Expenses | 3,692,450 |
| Total | 13,838,129 |
| Limit Under Section 197 = 5% of Above | 691,906 |

Note: The above Remuneration paid is in excess of Limits prescribed U/S 309 of The Companies Act, 1956 and is subject to necessary approval.

21 Details of Licensed and Installed Capacity, Production, Stock and Turnover.

21 A Licensed And Installed Capacity And Production:

| | Licensed Capacity Nos. | Installed Capacity Nos. | Actual Production Nos. |
|--------------------|---------------------------------------|--|---------------------------------------|
| a) Rotary Switches | Not Specified | Not Applicable | 736,473 (845,939) |
| b) Micro Switches | Not Specified | Not Applicable | 481,994 (574,155) |
| c) Counters | Not Specified | Not Applicable | 89,344 (101,132) |
| d) Water Meters | Not Specified | Not Applicable | 847 (265) |

21 B TURNOVER:

| | 20114-2015 | | 2013-2014 | |
|----------------------------|------------|--------------------|-----------|--------------------|
| | Unit Nos. | Amount Rs. | Unit Nos. | Amount Rs. |
| MANUFACTURED GOODS. | | | | |
| a) Rotary Switch | 733926 | 170,420,801 | 837348 | 202,415,774 |
| b) Micro Switches | 477721 | 27,239,180 | 604477 | 35,411,735 |
| c) Counters | 80858 | 15,021,545 | 101310 | 20,248,397 |
| d) Water Meters | 273 | 3,016,889 | 19 | 336,348 |
| e) Others | | 27,153,267 | | 16,442,405 |
| TRADED GOODS | 55,460 | 9,564,753 | 53,156 | 13,515,859 |
| Total :- | | 252,416,435 | | 288,370,518 |

21 C OPENING STOCK AND CLOSING STOCK OF FINISHED GOODS :

| | Opening Stock | | Closing Stock | |
|-------------------|------------------------|--------------------------|--------------------------|---------------------------|
| | Qty Nos. | Value Rs. | Qty Nos. | Value Rs. |
| a) Rotary Switch | 68,926 (60,335) | 9,088,493 (6,786,218) | 71473 (68926) | 10,503,088 (9,088,493) |
| b) Micro Switches | 34,009 (64,331) | 1,255,562 (2,519,895) | 38282 (34009) | 2,175,465 (1,255,562) |
| c) Counters | 1,956 (2,134) | 472,140 (521,354) | 10442 (1956) | 2,088,277 (472,140) |
| d) Water Meters | 247 (01) | 2,759,158 (3,239) | 821 (247) | 9,184,337 (2,759,158) |
| e) Others | 4,083,634 (211,414) | 8,307,899 (2,541,208) | 2,758,529 (4,083,634) | 6,751,751 (8,307,899) |

Previous year's Figures are given in brackets.

21 D DETAILS OF TRADING ITEMS :

| | 2014-2015 | | 2013-2014 | |
|------------------|-----------|------------|-----------|------------|
| | Unit Nos. | Amount Rs. | Unit Nos. | Amount Rs. |
| a) Opening Stock | 109171 | 14,733,326 | 127,894 | 12,055,977 |
| b) Purchases | 27011 | 3,704,961 | 34,433 | 10,021,778 |
| c) Turnover | 55,460 | 9,564,573 | 53,156 | 13,515,859 |
| d) Closing stock | 80722 | 12,410,736 | 1,09,171 | 14,733,326 |

21 E DETAILS OF RAW MATERIALS & STORES CONSUMED :

| | 2014-2015 | | 2013-2014 | |
|---|-----------|-------------|-----------|-------------|
| | Qty | Value Rs. | Qty. | Value Rs. |
| a) Bimetal Tips & Components | 4906204 | 10,671,707 | 5,643,382 | 16,366,718 |
| b) Copper & PB | 4885 | 2,986,346 | 4,065 | 2,797,448 |
| c) Brass | 8011 | 742,692 | 43 | 18,855 |
| d) Steel & aluminum | 32158 | 2,460,506 | 51,025 | 3,565,183 |
| e) Plastic Powder & Moulding Component | 44305 | 1,603,079 | 600,708 | 2,209,971 |
| f) Motors | 12011 | 2,726,497 | 8,403 | 1,900,669 |
| g) Others | | 105,389,981 | | 115,710,446 |
| | | 126,580,808 | | 142,569,290 |

21 F VALUE OF IMPORTS (C.I.F.):

| | 2014-2015 Rupees | 2013-2014 Rupees |
|-----------------------------|---------------------|---------------------|
| a) Raw Materials | 1,764,262 | 5,916,791 |
| b) Finished Goods (Trading) | 9,896 | 6,203,507 |

21 G CONSUMPTION OF RAW MATERIALS & STORES

| | 2014-2015 | | 2013-2014 | |
|---------------|---------------------------------------|------------------|---------------------------------------|------------------|
| | Percentage Of Total Consumption | Amount Rupees | Percentage of Total Consumption | Amount Rupees |
| a) Imported | 1.46% | 1,764,262 | 4.29% | 5,916,791 |
| b) Indigenous | 98.54% | 119,362,250 | 95.71% | 132,051,817 |

22 EARNINGS IN FOREIGN CURRENCY :

| | 2014-2015 Rupees | 2013-2014 Rupees |
|----------------------------|---------------------|---------------------|
| a) F.O.B. Value of Exports | 7,405,065 | 5,004,578 |

23 EXPENDITURE IN FOREIGN CURRENCY :

| | 2014-2015 Rupees | 2013-2014 Rupees |
|---------------------------|---------------------|---------------------|
| a) Foreign bank charges | 50,447 | 76,019 |
| b) Brokerage & Commission | 165,517 | Nil |

24 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 :

| | 2014-15 Rupees | 2013-14 Rupees |
|---|-------------------|-------------------|
| Employer’s Contribution to Provident Fund | 1,114,764 | 1,416,402 |
| Employer’s Contribution to Pension Fund | 1,137,300 | 783,601 |

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 31.03.2015 | | AS AT 31.03.2014 | |
|---|----------------------|---------------------------------|----------------------|---------------------------------|
| | Gratuity Funded | Leave Encashment Unfunded | Gratuity Funded | Leave Encashment Unfunded |
| A. Changes in Present Value of obligation | | | | |
| Present Value of Obligation | 11,363,260 | 2,400,382 | 11,264,225 | 2,792,935 |
| Interest Cost | 909,061 | 190,830 | 901,138 | 261,139 |
| Current Service Cost | 1,908,681 | 418,617 | 1,604,038 | 465,401 |
| Benefit Paid | 2,395,219 | 1,023,731 | 1,909,958 | 437,597 |
| Actuarial Gain/Loss on Obligations | 489,039 | -1,254,453 | 496,183 | 681,496 |
| Present Value of Obligation | 11,296,744 | 3,240,551 | 11,363,260 | 2,400,382 |
| B. Fair Value of Plan Assets | Gratuity Unfunded | Leave Encashment Funded | Gratuity Unfunded | Leave Encashment Funded |
| Fair Value of the Plan Assets | 10,837,300 | N.A | 10,803,307 | N.A |
| Expected return on Plan Assets | 939,167 | N.A | 930,132 | N.A |
| Contributions | 1,074,482 | N.A | 1,013,819 | N.A |
| Benefits Paid | 2,395,219 | N.A | 1,909,958 | N.A |
| Actuarial Gain/Loss on Plan Assets | NIL | N.A | NIL | N.A |
| Fair Value of the Plan Assets | 10,455,730 | N.A | 10,837,300 | N.A |
| C. Amount Recognized in the Balance Sheet. | Gratuity Unfunded | Leave Encashment Funded | Gratuity Unfunded | Leave Encashment Funded |
| Present Value of Obligation | 11,296,744 | 3,240,551 | 11,363,260 | 2,400,382 |
| Fair Value of the Plan Assets | 10,455,730 | N.A | 10,837,300 | N.A |

| PARTICULARS | AS AT 31.03.2015 | | AS AT 31.03.2014 | |
|--|-------------------|-------------------------|-------------------|-------------------------|
| | Gratuity Unfunded | Leave Encashment Funded | Gratuity Unfunded | Leave Encashment Funded |
| D. Reconciliation of Balance Sheet. | | | | |
| Present Value of Obligation | 11,363,260 | 2,400,382 | 11,264,225 | 2,792,935 |
| Total Expenses recognized in Profit & Loss A/c | 1,426,320 | 1,863,860 | 812,946 | 437,597 |
| Actuarial Gain/Loss | 418,354 | N.A | 299,908 | N.A |
| Employer's Contribution | 1,074,482 | 1,023,731 | 1,013,819 | 830,150 |
| Present Value of Obligation | 11,296,744 | 3,240,511 | 11,363,260 | 2400,382 |
| E. Assumptions | | | | |
| Actuarial Return on Plan Asset | 939,167 | N.A | 930,132 | N.A |
| Mortality Table | LIC (1994-96) | LIC (1994-96) | LIC (1994-96) | LIC (1994-96) |
| | Ultimate | Ultimate | Ultimate | Ultimate |
| Discount Rate | 8% | 7.95% | 8% | 9.35% |
| Expected Rate of Return on Plan Assets | 8% | 8% | 8% | 8% |
| Salary Escalation | 4% | 6% | 4% | 6% |

Fare value of plan assets at the end of period Rs 10,455,730/- is funded fully with Life Insurance Corporation of India

- 25** During the year, the company has taken physical verification of fixed assets and noted discrepancy of Rs Nil (W.D.V.) (P.Y. Nil) of Fixed Assets and the same were adjusted and discarded in the books of accounts
- 26** Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated over the revised/ remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted, in the opening balance of General Reserves amounting to Rs. 1,034,379/-.
- 27** Disclosure of Related Parties / Transactions With Related Parties:-

| Relationship | Name of Related Party |
|---|--|
| Subsidiary company | RDJ Construction Private Limited |
| Group Companies (Enterprise over which Director and/or his relatives has significant influence) | CMS Traffic Systems Limited CMS Computers Limited Jess Prasad Engg. And Metallurgical Services Pvt. Ltd ST Energy Solution Private Limited CMS Engineering Services Private Limited G.G. Constructions Private Limited Datacom Computer Services Private Limited Dynamic Hydro Machines Private Limited Mailtek Services (India) Limited Netprint Solution India Private Limited New Video Private Limited CMS – Ident Pvt. Ltd. Computer Products and Services Pvt. Ltd. Dominant Developers Pvt. Ltd. Acu-Soft Technologies Pvt. Ltd. CMS-DITL Ltd. Computer Maintenance Service Royal Virgo Travels Systeme Computers Limited CMS Universal Solution P Ltd |



CMS Info System Ltd.
 Resergent Infotech Pvt.Ltd.
 People Upliftment Foundation
 CMS Marshal Limited
 CMS Securitas Limited
 Money ease Capital Pvt. Ltd.
 CMS I.T Services Pvt.Ltd

Key Management Personnel (KMP)

Directors :

Mrs. Raju R. Grover
 Ms. Aarti R. Grover
 Mrs. Sona P. Ramchandani
 Mrs. Pramila Prakash Merani
 Mrs.Savitri Lal Butani
 Mr.Deepak Potdar (CFO)
 Miss. Kamalleshwari Bind (CS

| Sr. No. | Name of the Related Party | Relationship | Nature | Amount Rs. | O/S as on 31.03.2015 |
|----------------------------------|----------------------------------|--------------------|--------------------------------------|--------------------------------|--|
| I Holding Companies | | | | | |
| 1 | CMS Traffic Systems Ltd. | Group Company | Sales | 4,739,747.83 (3,194,145.55) | 4,564,481.37 Dr. (4,834,542.48) Dr. |
| 2 | CMS Traffic Systems Ltd. | Group Company | Reimbursement Of Salary | 1,148,277 (748982.80) | |
| 3 | CMS Traffic Systems Ltd | Group Company | Conveyance Paid Reimbursed | Nil 1(9974) | |
| 4 | CMS Traffic Systems Ltd | Group Company | Material Purchased | Nil (23191) | |
| II Group Companies | | | | | |
| 5 | CMS Computers Limited | Group Company | Reimbursement of Elect. Chrgs | 1,671,380 (2,371,666) | 4,093,419.74 Cr. (6,150,089.27) Cr |
| 6 | CMS Computers Limited | Group Company | Rent Received | 2,696,640 (2,696,640) | |
| 7 | CMS Computers Limited | Group Company | Reimbursement of Water Charges | 103,723 (Nil) | |
| 8 | CMS Computers Limited | Group Company | Transport & Import Duty Charges paid | Nil (107,080) | |
| 9 | CMS Computers Limited | Group Company | Sales | 3,009,071.39 (2,878,757.20) | |
| 10 | CMS Computers Limited | Group Company | Fixed Assets Purchased | Nil (25,313) | |
| 11 | CMS Computers Limited | Group Company | Reimbursement Of Salary | 53,596 (48,622) | |
| | CMS Computers Limited | Group Company | Purchases | 122,049 (Nil) | |
| 12 | CMS Computers Limited | Group Company | Computer Maint.Chrgs Paid | 49,276 (Nil) | |
| 13 | CMS Computers Limited | Group Company | Reim of Corp. Exp. | Nil (2,022,480) | |
| 14 | Systime Computers System Limited | Group Company | | - - | |
| 15 | Royal Virgo Travels | Director's firm | Interest on Loan | 260,000 (260000) | |
| 16 | RDJ Construction Pvt. Ltd | Subsidiary Company | Advance | Nil (20,000) | |
| III Key management Person | | | | | |
| 17 | Ms. Aarti Grover | Managing Director | Salary & Perquisites | 1,704,600 (1,452,600) | 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
- 28** 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 2014-2015.
- 29** During the year the Company has reviewed Accounts Receivable and reversed provision for doubtful debts Rs. 555,034. (P.Y. Provision made.Rs 348,923).
- 30** Segment wise Reporting as per Note No. 34.
- 31** 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.
- 32** Sundry Debtors and Creditors, Loans and advances are subject to confirmation and reconciliation if any.
- 33** Previous Years figures have been regrouped / rearranged wherever necessary.

Disclosure in terms of Schedule III to the Companies Act, 2013

| Particulars | Net Assets (i.e. Total assets minus total liabilities) | | Share in profit/(loss) | |
|--|---|--------------------|------------------------------------|------------------------|
| | As a % of consolidated net assets | Amount | As a % of consolidated profit/loss | Amount |
| 1. Parent: Kaycee Industries Limited | 97.1324 % | 123,116,416 | 100.5053 % | (11,397,514.00) |
| 2. Subsidiary– RDJ Construction Private Limited | 2.8648 % | 3,527,106 | (0.5047) % | 57,239.70 |
| Add/(Less):Minority interest in subsidiary | 0.0028 % | 3,431 | (0.0005) % | 57.30 |
| Total | 100.0000 % | 123,119,847 | 100.0000 % | (11,340,217.00) |

Form AOC - I

(Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary company

| | | |
|-----|---|----------------------------------|
| 1. | Sl. No. | 1 |
| 2. | Name of the subsidiary | RDJ Construction Private Limited |
| 3. | Reporting period for the subsidiary concerned | April 2014 to March 2015 |
| 4. | Reporting currency | Indian Rupees |
| 5. | Share capital | 100,000/- |
| 6. | Reserves & surplus | 3,430,537/- |
| 7. | Total assets | 39,215,069/- |
| 8. | Total Liabilities | 35,684,532/- |
| 9. | Investments | NIL |
| 10. | Turnover | 121,848/- |
| 11. | Profit before taxation | 95,028/- |
| 12. | Provision for taxation | 37,731/- |
| 13. | Profit after taxation | 57,297/- |
| 14. | Proposed Dividend | NIL |
| 15. | % of shareholding | 99.90 % |

As per our report of even date attached

For N.D KAPUR & CO.

Firm Registration No:001196N

Chartered Accountants

Sd/-

S.K.AGRAWAL

Partner

MUMBAI

Date: 30th May 2015

For and on behalf of the Board

Sd/-

AARTI GROVER

Managing Director

Sd/-

Deepak Potdar

Chief Financial Officer

Sd/-

RAJU GROVER

Director

Sd/-

Kamleshwari Bind

Company Secretary

**NOTE NO. 34**

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

| | 2014-2015 | 2013-2014 |
|--|---------------------|--------------------|
| 1. Segment Reserve (Net Sale/ Income from) | | |
| a. Segment - Switches | 165,909,472 | 199,940,785 |
| b. Segment - Counters | 24,445,754 | 23,047,254 |
| c. Segment - Others | 33,954,299 | 29,164,478 |
| TOTAL | 224,309,525 | 252,152,517 |
| Less : Intersegment Revenue | - | - |
| | 224,309,525 | 252,152,517 |
| 2. Segment Results (Profit)(+)/Loss(-) before tax and interest from segment | | |
| a. Segment - Switches | 36,625,261 | 49,668,184 |
| b. Segment - Counters | 4,987,462 | 6,793,544 |
| c. Segment - Others | 7,509,553 | 6,535,672 |
| TOTAL | 49,122,276 | 62,997,400 |
| Add : Other Income | 3,341,748 | 3,671,910 |
| Less : (I) Interest | 4,704,887 | 3,288,339 |
| (ii) Other unallocable expenditure net off unallocable income | 59,641,616 | 57,307,932 |
| Total Profit/(Loss) before Tax | (11,882,479) | 6,073,039 |

For N.D KAPUR & CO.

Firm Registration No:001196N

Chartered Accountants

Sd/-

S.K.AGRAWAL

Partner

MUMBAI

Date: 30th May 2015

For and on behalf of the Board

Sd/-

AARTI GROVER
Managing Director

Sd/-

Deepak Potdar
Chief Financial Officer

Sd/-

RAJU GROVER
Director

Sd/-

Kamleshwari Bind
Company Secretary



KAYCEE INDUSTRIES LIMITED

Address: OLD KAMANI CHAMBERS, 32-RAMJIBHAI KAMANI MARG, BALLARD ESTATE, MUMBAI-400001

CIN : L70102MH1942PLC006482 Contact : 22 2261 3521, www.kayceeindustries.com;

Email: complianceofficer@cms-kaycee.co.in; cs_legal@cms.co.in

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional slip on request

NAME AND ADDRESS OF SHAREHOLDERS

| | |
|---------------|--|
| Folio No | |
| DP ID | |
| Client ID | |
| No. of Shares | |

I hereby record my presence at the 72nd Annual General Meeting of the Company held on Wednesday, 30th day of September, 2015 at 01.30 p.m at Jainam Banquet Hall, Jainam Arcade, B.M.T. Compound, 100, L.B.S. Marg, Bhandup (W), Mumbai 400 078.

Signature of Shareholder or proxy *

*Strike out whichever is not applicable

KAYCEE INDUSTRIES LIMITED

Address: OLD KAMANI CHAMBERS, 32-RAMJIBHAI KAMANI MARG, BALLARD ESTATE, MUMBAI-400001
CIN : L70102MH1942PLC006482 Contact : 22 2261 3521, www.kayceeindustries.com;
Email: complianceofficer@cms-kaycee.co.in; cs_legal@cms.co.in

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | |
|-------------------------|--|
| Name of the member(s) : | |
| Registered Address: | |
| Email Id : | |
| Folio No. / Client Id : | |
| DP ID : | |

I/We, being the member(s) of equity shares of Kaycee Industries Limited, hereby appoint

1. Name: _____ Email Id: _____

Address : _____

Signature: _____ or failing him / her

2. Name: _____ Email Id: _____

Address : _____

Signature: _____ or failing him / her

3. Name: _____ Email Id: _____

Address : _____

Signature: _____ or failing him / her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 72nd Annual General Meeting of the Company to be held on Wednesday, the 30th September, 2015 at Jainam Banquet Hall, Jainam Arcade, B.M.T. Compound, 100, L.B.S. Marg, Bhandup (W), Mumbai 400 078 at 1.30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

| S.No. | Resolutions |
|-------|---|
| 1. | Approve and Adopt Balance Sheet as at 31st March, 2015 and the Profit and Loss Account for the year ended on that date together with reports of Director's and Auditor's thereon. |
| 2. | Declaration of Dividend |
| 3. | Reappointment of Ms. Aarti Grover, who retires by rotation |
| 4. | Appointment of M/s. N.D. Kapur & Co., as Statutory Auditor of the Company |
| 5. | Appointment of Mrs. Pramila Merani as an Independent Director |
| 6. | Appointment of Mrs. Savitri Lal Butani as an Independent Director |

Signed thisday of2015

.....
Signature of shareholder

.....
Signature of proxy holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



: NOTES :