

KEMP

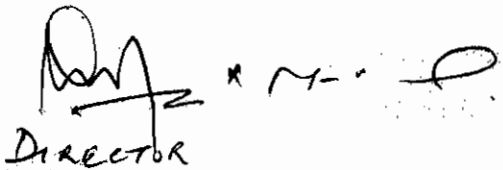
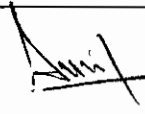
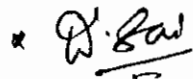

KEMP & COMPANY LTD.

DGP House, 88-C Old Prabhadevi Road, Mumbai - 400 025, India.

Phone : +91 22 6653 9000 • Fax : +91 22 6653 9089 • CIN - L24239MH1982PLC000047

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	KEMP & COMPANY LIMITED
2.	Annual financial statements for the year Ended	31 st March, 2014
3.	Type of Audit observation Un-qualified / Matter of Emphasis	Un-qualified
4.	Frequency of observation Whether appeared first time...../ repetitive...../ since how long period	Not applicable
5.	To be signed by-	
	a. CEO/Managing Director	 DIRECTOR
	b. CFO	
	c. Auditor of the company	* 
	d. Audit Committee Chairman	* 

KEMP & COMPANY LIMITED



133rd Annual Report 2013-14

133rd Annual Report

Board of Directors

Mr. Maneck Davar
Mr. Ranjan Sanghi
Mr. Shekhar Shah
Mr. M. K. Arora

Bankers

Central Bank of India

Auditors

M/s. Kalyaniwalla & Mistry
Chartered Accountants

Registered Office

78-A, MIDC Estate, Satpur, Nashik - 422 007
Maharashtra

Investors' Services Department

DGP House, 5th Floor
88-C, Old Prabhadevi Road
Mumbai - 400 025

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
C-13, Kantilal Maganlal Industrial Estate
Pannalal Silk Mills Compound, L.B.S. Marg
Bhandup (W), Mumbai - 400 078

Branch Offices

Delhi
Kolkata

NOTICE

NOTICE is hereby given that the 133rd Annual General Meeting of the Members of Kemp & Company Limited will be held at the Registered Office of the Company at 78 A, MIDC Estate, Satpur, Nashik – 422 007, on Friday, the 26th September, 2014 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014, the statement of Profit & Loss Account for the year ended on that date, the reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year 2013-14.
3. To appoint a Director in place of Mr. M. K. Arora, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration, and for the purpose, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s Kalyaniwalla & Mistry, Chartered Accountants, having Registration No. 104607W the retiring Auditors, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and is hereby authorised to fix their remuneration for the said period in addition to the reimbursement of actual out of pocket expenses as may be incurred by them in the performance of their duties.”

SPECIAL BUSINESS:

5. To consider & if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ranjan Sanghi (DIN 00275842), who was appointed as a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of 5 years commencing from 26th September 2014 up to 25th September, 2019.”
6. To consider & if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Shekhar Shah (DIN 00002882), who was appointed as a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of 5 years commencing from 26th September 2014 up to 25th September, 2019.”
7. To consider & if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Maneck Davar (DIN 01990326), who was appointed as a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of 5 years commencing from 26th September 2014 up to 25th September, 2019.”

By the order of the Board of Directors

M. K. Arora
Director

Place : Mumbai
Dated: 13th August, 2014
Registered Office:
78-A, MIDC Estate, Satpur
Nashik – 422 007

NOTES:

- (a) The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the businesses under Item No. 5 to 7 of the accompanying Notice and the details in respect of the Directors proposed to be appointed / re-appointed at the Annual General Meeting to be provided under Clause 49 of the Listing Agreement with Stock Exchange where the shares of the Company are listed, are annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
- (c) Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, the 16th September, 2014 to Friday, the 26th September, 2014 (both days inclusive).
- (d) The dividend as recommended by the Board of Directors if approved by the Members at the ensuing Annual General Meeting will be paid on Tuesday, the 7th October 2014 as under:
- i) To the Members holding shares in physical form, whose names appear in the Company's Register of Members as on 26th September 2014.
- ii) To the Beneficial Owners, whose names appear in the beneficial owners list to be furnished for this purpose by the National Securities Depository Limited and the Central Depository Services (India) Limited as on the close of business hours on 15th September, 2014.
- (e) Members desirous of obtaining any information in respect of Annual Accounts and operations of the Company are requested to write to the Company at least one week before the Meeting, to enable the Company to make available the required information at the Meeting.
- (f) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, (Unit – Kemp & Company Limited), C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400 078, Tel. No.: +91-22-25963838, Fax No.: +91-22-25946969.
- (g) Members are requested to notify immediately, any change in their address registered with the Company to Link Intime India Private Limited, (Unit - Kemp & Company Limited), C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400 078, Tel. No.: +91-22-25963838, Fax No.: +91-22-25946969, the Registrar and Share Transfer Agent of the Company, in respect of equity shares held in physical form and to their respective Depository Participants (DPs) in respect of equity shares held in electronic form.

- (h) Under the provisions of Section 72 of the Companies Act, 2013, shareholder(s) is/are entitled to nominate in the prescribed manner, a person to whom his/her/their share(s) in the Company, shall vest after his/ her/their lifetime. Members who are holding share(s) in physical form and are interested in availing this nomination facility are requested to write to the Company or the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, (Unit - Kemp & Company Limited), C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400 078, Tel. No.: +91-22-25963838, Fax No.: +91-22-25946969 and those Members who are holding share(s) in electronic form, are requested to write to their respective Depository Participants (DPs).
- (i) Consequent to Sections 124 and 125 of the Companies Act, 2013 the amount remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund. As stipulated by the Ministry of Corporate Affairs (MCA) through its various circulars, the Company has uploaded, on its website as also on the website of the MCA, the information regarding unpaid and unclaimed amount of dividend, fixed deposit and interest accrued thereon, lying with the Company upto the financial year ended 31st March, 2013 updated till the date of 132nd Annual General Meeting i.e. 28th June, 2013. Members who have not yet encashed their dividend warrants for the years 2006-2007 onwards are requested to make their claims to the Company accordingly, without any delay. It may be noted that the unclaimed dividend for the financial year 2006-2007 is due for transfer to the Fund on 30th September, 2014.
- (j) In order to render better and efficient services, Members are requested to consolidate the multiple folios which are in the same names and in identical order. Consolidation of folios does not amount to transfer of shares and therefore no stamp duty or other expenses are payable for the same. In case any Member(s) decide to consolidate his/her/their folios, he/she/they is/are requested to forward his/her/their share certificates, along with a request letter, to the Company or the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, (Unit - KEMP & Company Limited), C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400 078, Tel. No.: +91-22-25963838, Fax No.: +91-22-25946969.
- (k) Members may also note that the Notice of the 133rd Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.kempnco.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Nashik for inspection during normal business hours on any working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: kemp-investor-help@vipbags.com
- (l) Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Members facility to exercise their right to vote at the 133rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]

Participants(s)]:

- (i) Open email and open PDF file viz; "KEMP e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Kemp & Co. Ltd.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to chokshiragini@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below/at the bottom of the covering letter annexed to the Annual Report: EVEN (E Voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences from 22nd September 2014 (9:00 a.m.) and ends on 24th September 2014 (6:00 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 (record date) of 22nd August 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 22nd August 2014.
 - VII. Ms. Ragini Chokshi, Company Secretary in practice (Membership No. 2390) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - VIII. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
 - IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.kempnco.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange.
- (o) As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their own copies to the Meeting.
- (p) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 a.m. to 5.00 p.m.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

ITEM Nos. 5 to 7

Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar are Independent Directors of the Company. The Securities and Exchange Board of India (SEBI) has amended clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company. It is proposed to appoint Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for a period of 5 years commencing from 26th September 2014 up to 25th September 2019.

Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar are not disqualified from being appointed as Directors in terms of Section 164 and 184 of the Act and have given their consent to act as Directors.

The Company has also received declarations from Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar that they meet 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.

In the opinion of the Board, Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar are independent of the management of the Company.

Brief resume/profile of Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar along with the nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange are annexed to this Notice.

Copy of the draft letters for respective appointments of Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar as Independent Directors setting out the terms and conditions are available for inspection by Members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar are interested in passing of the resolutions set out at Item Nos. 5 to 7 of the Notice with regard to their respective appointments. The relatives of Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 to 7 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except as above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested financially or otherwise, in passing of these resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 5 to 7 of the Notice for approval by the shareholders.

DETAILS OF DIRECTORS SEEKING APPOINTMENT

(In pursuance to Clause 49 of the Listing Agreement)

Mr. Shekhar Shah (DIN 00002882)

Mr. Shekhar Shah, 67 is a Commerce Graduate and is a well known Industrialist with an experience of over four decades in Textile Industry and specialization in fabric for armed forces. Mr. Shekhar Shah is Director in Vibhuti Investments Co. Ltd., Emsons (Agencies) Pvt Ltd., Cloister Investments & Finance Pvt Ltd., Rosary Finance & Investment Cons. Pvt Ltd., Enar Traders Pvt Ltd. and Imperial Assets & Capital Management Pvt Ltd.

Mr. Ranjan Sanghi (DIN 00275845)

Mr. Ranjan Sanghi, 70 is a Commerce Graduate and is a Businessman with experience of more than five decades in Automobile Industry. Mr. Ranjan Sanghi is Director in Bajaj Finance Ltd., HDFC Trustee Co. Ltd., Morarjee Textiles Ltd., Suraj Sanghi Finance Ltd., Saha & Sanghi Auto Agencies Pvt. Ltd., Rajesh Sanghi Auto Traders Pvt. Ltd., Tyresoles Concessionaries Pvt. Ltd.,

Mr. Maneck Davar (DIN 01990326)

Mr. Maneck Davar, 56 is a Arts Graduate and is a Businessman with vast experience in Media & Publication. Mr. Maneck Davar is Director in Spenta Multimedia Pvt Ltd., Blue Water Publication Pvt Ltd., Smart Manager Media Pvt Ltd., Liquid Publishing Pvt Ltd., Spenta Management Pvt Ltd., Mumbai Boat Show Pvt Ltd. and MW.Com (India) Pvt Ltd.

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 133rd Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2014:

FINANCIAL RESULTS

(Amount in Rs.)

	Year ended 31.3.2014	Year ended 31.3.2013
Sales & Other Income	84,109,785	73,401,089
Gross Profit	15,283,132	10,849,103
Depreciation	1,526,876	1,537,639
Interest	-	-
Profit before Tax	13,756,256	9,311,464
Provision for Tax (Net of Deferred Tax)	2,295,621	1,962,674
Profit / (Loss) after Tax	11,460,635	7,348,790
Prior year Adjustments	45,000	123,059
Profit brought forward from previous year	60,726,438	59,764,487
Profit available for appropriation	72,142,073	66,990,218
APPROPRIATIONS:		
Proposed Dividend	1,080,200	1,080,200
Tax on Proposed Dividend	183,580	183,580
Transfer to General Reserve	5,000,000	5,000,000
Balance transferred to Balance Sheet	65,878,293	60,726,438
	72,142,073	6,690,218

OVERALL PERFORMANCE AND OUTLOOK

During the year under review, while the Sales and Other Income recorded increase of 14.59% from Rs.73,401,089/- to Rs.84,109,785/- the profit after tax recorded increase of 58.01% from Rs.7,348,790/- to Rs.11,460,635/-. The profit before tax for the year ended 31st March, 2014 was at Rs.13,756,256/- (previous year Rs.9,311,464/-).

The outlook for the coming year is favourable.

Reserves of the Company was at Rs.145,886,204/- as on 31st March, 2014.

DIVIDEND

Your Directors are pleased to recommend for your consideration a Dividend of Re. 1/- per equity share i.e. @ 10% (previous year Rs. 1/- per equity share) on the paid-up equity share capital of your Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, your Directors confirm that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) they have selected such accounting policies and applied them consistently and made judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year ended 31st March 2014 and of the profits of your Company for the financial year ended 31st March 2014;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts for the financial year ended 31st March, 2014 have been prepared on a 'Going Concern' basis.

LISTING OF EQUITY SHARES

Your Company's equity shares are listed on the Bombay Stock Exchange Ltd. situated at Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001. Your Company has made upto date payment of the listing fees.

DIRECTORS

Mr. M. K. Arora, Director retires by rotation and being eligible offers himself for re-appointment. A proposal for re-appointment of Mr. M. K. Arora as Director shall be included in the Notice convening the ensuing Annual General Meeting.

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ranjan Sanghi, Mr. Shekhar Shah and Mr. Maneck Davar are proposed to be appointed as Independent Directors of your Company for a period of 5 (five) years with effect from the date of the 133rd Annual General Meeting. Your Company has received declarations from all the Independent Directors of your Company confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act 2013.

PUBLIC DEPOSITS

Your Company has not invited or accepted any Public Deposits during the financial year under report.

AUDITORS

M/s. Kalyaniwalla & Mistry, Chartered Accountants, retire at the ensuing Annual General Meeting and express their willingness to continue, if so appointed. As required under the provisions of Section 139 and Section 141 of the Companies Act, 2013, your Company has obtained a written certificate from the Auditors proposed to be re-appointed to the effect that their re-appointment, if made, would be in conformity with the limits prescribed under the said section of the Companies Act, 2013.

A proposal seeking their re-appointment will be provided as a part of the Notice convening the ensuing Annual General Meeting.

Section 204 of the Companies Act, 2013 requires listed companies to appoint Secretarial Auditor. Accordingly, your Company has appointed Ragini Chokshi & Associates as the Secretarial Auditors of the Company for the financial year 2014-15.

COMPLIANCE CERTIFICATE

Pursuant to proviso to Section 383A of the Companies Act, 1956, a certificate from the Company Secretary in whole-time practice in respect of compliance by the Company with the provisions of the Companies Act, 1956, is annexed to this report.

VIGIL MECHANISM

Your Company has established a Vigil Mechanism Policy for Directors and employees to safeguard against victimisation of persons who use vigil mechanism and report genuine concerns. The Audit Committee shall oversee vigil mechanism.

CONSERVATION OF ENERGY ETC

As the Company is not engaged in any manufacturing activity, there are no particulars to be disclosed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as regards conservation of energy or technology absorption. Further, during the year under review, the Company has neither earned nor spent any foreign exchange.

PARTICULARS OF EMPLOYEES

Your Company has no employee whose remuneration details are required to be provided under the purview of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rule, 1975.

INDUSTRIAL RELATIONS

Industrial relations remained cordial throughout the year under review.

ACKNOWLEDGEMENT

Your Directors record their gratitude to the financial institutions, banks and other government departments for their assistance and co-operation during the year.

Your Directors also wish to place on record their appreciation of the dedicated services of the employees of the Company.

By the order of the Board of Directors

M. K. Arora
Director

Ranjan Sanghi
Director

Place: Mumbai

Date: 29th May, 2014

Registered Office:
78A, MIDC Estate, Satpur,
Nashik - 422 007

COMPLIANCE CERTIFICATE

CIN of the Company	:	L24239MH1982PLC000047
Nominal Capital	:	Rs.1,45,00,000/-
Issued & Paid Up Capital	:	Rs.1,08,02,000/-

To,

The Members,

KEMP AND COMPANY LIMITED.

We have examined the registers, records, books and papers of KEMP AND COMPANY LIMITED (CIN L24239MH1982PLC000047) (the Company) as required to be maintained under the Companies Act, 1956, (The Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company and its officers we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate as per the provisions and rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and rules made there under.
3. The Company is a Public Limited Company and hence comments are not required.
4. The Board of Directors duly met 4 (four) times respectively on 29th May, 2013, 13th August, 2013, 13th November, 2013 and 13th February, 2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members and Share Transfer Book from Tuesday, 18th June 2013 to Friday to 28th June 2013 and necessary compliance of Section 154 of the Companies Act, 1956 has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2013 was held on Friday, 28th June, 2013 after giving due notice to the Members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons firms or companies referred in Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate Share certificate during the financial year under review.
13. The Company has:
 - (i) Delivered all the certificates on allotment of securities and on lodgment thereof for transfer or any other purpose in accordance with the provisions of the Act.
 - (ii) Deposited the amount of dividend declared in a separate bank account within 5 days from the date of declaration of such dividend.
 - (iii) Paid/Posted warrants for dividend to all the members within a period 30 days from the date of declaration.
 - (iv) Transferred the amounts in unpaid account to the Investor Education & Protection Fund.
 - (v) Duly complied with the requirements of Section 217 of the Act.

14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Director during the financial year.
15. The Company has not appointed any Managing Director/Whole-Time Director, Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board / Regional Director / Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provision of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back Equity shares during the financial year.
21. The Company has not redeemed any preference shares or debentures, during the financial year.
22. There was no transaction necessitating to keep in abeyance rights to dividends/rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited or accepted any Deposits including any unsecured loans falling within the purview of Section 58A of the Act read with Companies (Acceptance of Deposit) Rules 1975, during the financial year under review from public.
24. The amounts borrowed by the Company from other bodies corporate during the financial year ending 31-03-2014 are within the borrowing limits of the Company.
25. The Company has made loans and investments but not given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's Registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Article of Association during the year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishments was imposed on Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year, under certification.
33. The Company has deposited both employee's and employer's contribution to Provident Fund prescribed authorities pursuant to Section 418 of the Act.

Signature:

Name of the Company Secretary

MRS. RAGINI CHOKSHI

FOR RAGINI CHOKSHI & ASSOCIATES

(Proprietor)

C.P.No.1436

Place: Mumbai

Date: 29th May, 2014

Annexure A

Registers as maintained by the Company under Companies Act, 1956:

1. Register and Index of Members u/s. 150.
2. Minutes Book of Meetings.
3. Books of Accounts u/s. 209.
4. Registers of Directors, Managing Director, Manager and Secretary u/s.303.
5. Register of Directors shareholding u/s. 307.
6. Register of Share Transfer.
7. Annual General Meeting Attendance.
8. Register of Charges.
9. Directors Attendance Register.
10. Register of Proxies.
11. Register and Returns u/s.163.
12. Declaration u/s.299.
13. Register of Investments u/s.49.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2014.

Sr. No.	Form No. / Return	Filed under Section	Period	Date of filing	Whether filed within pre-scribed time	If delay in filing whether requisite additional fee paid Yes/No
1.	Form 17	138	-	29/04/2013	Yes	No
2.	Form No.1INV	Rule 3	2013-2014	24/10/2013	Yes	No
3.	Form No. 66	383A	2013-2014	05/07/2013	Yes	No
4.	Form No. 20B	159	2013-2014	19/08/2013	Yes	No
5.	Form No.5INV	Rule 3	2013-2014	21/08/2013	Yes	No
6.	Form No 23AC & XBRL	220	2013-2014	12/09/2013	No	Yes

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
KEMP AND COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of KEMP AND COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227 (3) of the Act, we report that:
 - a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e) on the basis of the written representations received from the Directors as on March 31, 2014 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For KALYANIWALLA & MISTRY

CHARTERED ACCOUNTANTS

Firm Registration No. 104607W

SAI VENKATA RAMANA DAMARLA

PARTNER

Membership No.107017

Place: Mumbai

Dated: May 29th, 2014

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

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

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, the Company has a programme for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been reported on such verification.
(c) In our opinion, the disposal of fixed assets during the year does not affect the going concern assumption.
- 2) (a) The Management has conducted physical verification of inventory at reasonable intervals.
(b) In our opinion, the procedures for the physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- 3) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
(b) Consequently, the question of commenting on the rates of interest and the other terms and conditions of the loans granted being prejudicial to the interests of the Company, receipt of regular principal and interest and reasonable steps taken for recovery of principal and interest does not arise.
(c) The Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the Register maintained under section 301 of the Act.
(d) Consequently, the question of commenting on the rates of interest and other terms and conditions of the loans taken being prejudicial to the interests of the Company, payment of regular principal and the interest does not arise.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in internal controls.
- 5) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts and arrangements referred to in Section 301 of the Companies Act, 1956 have been entered into the register maintained under that section.
(b) The transactions made in pursuance of such contracts or arrangements and exceeding the value of Rs. 5 Lakh with any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, where comparable market prices exist.
- 6) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the provisions of section 58A and 58AA or any other relevant provisions of the Act are not applicable.
- 7) In our opinion and according to the information and explanations given to us, the internal audit needs to be strengthened.
- 8) The maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, in respect of the activities carried out by the Company.
- 9) (a) According to the information and explanations given to us and on the basis of our examination of books of account, during the year, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Value Added Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of the above as at March 31, 2014 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 outstanding of Value Added Tax, Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service tax, Excise Duty or Cess on account of any dispute, other than the following:

Name of Statute	Name of Dues	Amount (Rs.)	Period to which the Amount Relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	11,18,000/-	1/03/1986 to 14/12/1986	Customs Excise Service Tax Appellate Tribunal

- 10) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses in the current year and immediately preceding financial year.
- 11) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks. The Company does not have dues to financial institutions or debenture holders.
- 12) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/ mutual benefit fund/ societies.
- 14) In our opinion and according to the information and explanations given to us, the Company does not deal or trade in shares, securities, debentures and other investments.
- 15) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Consequently, the question of commenting on whether the terms and conditions are prejudicial to the interest of the Company does not arise.
- 16) There were no term loans raised during the year.
- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet and the Cash Flows of the Company, we report that the Company has not utilized funds raised on short-term basis for long-term investment.
- 18) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.
- 19) The Company did not have outstanding debentures during the year.
- 20) The Company has not raised any money through a public issue during the year.
- 21) Based on the audit procedures performed and information and explanations given and representations made by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

For KALYANIWALLA & MISTRY

CHARTERED ACCOUNTANTS

Firm Registration No. 104607W

SAI VENKATA RAMANA DAMARLA

PARTNER

Membership No. : 107017

Place: Mumbai

Dated: May 29th, 2014

BALANCE SHEET

 AS AT 31st MARCH, 2014

	Note No.	As at 31 st March, 2014 (Rupees)	As at 31 st March, 2013 (Rupees)
I EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share Capital	2	10,802,000	10,802,000
(b) Reserves & Surplus	3	145,886,204	135,734,349
		<u>156,688,204</u>	<u>146,536,349</u>
(2) Non Current liabilities			
(a) Other Long Term Liabilities	4	220,278	220,278
(b) Long - Term Provisions	5	1,466,000	1,395,000
		<u>1,686,278</u>	<u>1,615,278</u>
(3) Current liabilities			
(a) Trade Payables	6	6,721,078	5,574,015
(b) Other Current Liabilities	7	5,745,936	13,128,747
(c) Short Term Provisions	8	1,659,780	1,637,780
		<u>14,126,794</u>	<u>20,340,542</u>
TOTAL		<u>172,501,276</u>	<u>168,492,169</u>
II ASSETS			
(1) Non - current Assets			
(a) Fixed assets	9		
(i) Tangible Assets		33,164,817	33,102,534
(ii) Intangible Assets		-	2,002
		<u>33,164,817</u>	<u>33,104,536</u>
(b) Non Current Investments	10	80,168,454	80,168,454
(c) Deferred tax assets (Net)	11	499,254	444,875
(d) Other Non - current Assets	12	2,829,397	3,433,626
		<u>116,661,922</u>	<u>117,151,491</u>
(2) Current Assets			
(a) Current Investments	13	42,410,515	31,530,479
(b) Inventories	14	6,177,340	5,993,450
(c) Trade Receivables	15	696,967	7,324,035
(d) Cash & Cash equivalents	16	5,597,449	6,226,195
(e) Short term Loans and Advances	17	957,083	266,519
		<u>55,839,354</u>	<u>51,340,678</u>
TOTAL		<u>172,501,276</u>	<u>168,492,169</u>

Statement of Significant Accounting Policies 1

The accompanying notes 1 to 30 form an integral part of the financial statements

As per our report of even date.

 For **KALYANIWALLA & MISTRY**

Chartered Accountants

Firm Registration No. 104607W

SAI VENKATA RAMANA DAMARLA

Partner

Membership No.: 107017

Place : Mumbai

 Dated : 29th May, 2014

FOR AND ON BEHALF OF THE BOARD

RAJAN SANGHI

Director

M K ARORA

Director

Place : Mumbai

 Dated : 29th May, 2014

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	2013-2014 (Rupees)	2012-2013 (Rupees)
INCOME			
Revenue from Operations	18	76,351,824	69,070,630
Other Income	19	7,757,961	4,330,459
Total Revenue		84,109,785	73,401,089
EXPENSES			
Purchase of Stock-in-trade		46,326,454	39,300,966
Changes in Inventory of Stock-in-trade	20	(183,890)	351,597
Employee Benefits Expense	21	7,747,079	8,737,029
Depreciation & Amortization Expense	9	1,526,876	1,537,639
Other Expenses	22	14,937,010	14,162,394
Total Expenses		70,353,529	64,089,625
Profit Before Tax		13,756,256	9,311,464
Tax Expense			
(a) Current tax		2,350,000	2,125,000
(b) Deferred tax	11	(54,379)	(162,326)
(c) Prior Years Tax Adjustments		45,000	123,059
Profit for the year		11,415,635	7,225,731
Earning per equity share:			
Basic & Diluted	23	10.57	6.69

Statement of Significant Accounting Policies 1

The accompanying notes 1 to 30 form an integral part of the financial statements

As per our report of even date.

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Firm Registration No. 104607W

SAI VENKATA RAMANA DAMARLA
Partner

Membership No.: 107017

Place : Mumbai

Dated : 29th May, 2014

FOR AND ON BEHALF OF THE BOARD

RAJAN SANGHI
Director

M K ARORA
Director

Place : Mumbai

Dated : 29th May, 2014

CASH FLOW STATEMENT

 AS ON 31st MARCH, 2014

A) CASH FLOW FROM OPERATING ACTIVITIES

	2013-2014 (Rupees)	2012-2013 (Rupees)
Net Profit before taxes	13,756,256	9,311,464
Adjustment for:		
Dividend Received	(7,330,007)	(4,330,459)
Depreciation	1,526,876	1,537,639
Interest Received	(410,181)	-
Loss on sale of Fixed Assets	167,440	-
Provision for Diminution in Investments Value	-	371,300
Sundry balance written off (Net)	(17,773)	56,455

<u>(6,063,645)</u>	<u>(2,365,065)</u>
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OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	7,692,611	6,946,399
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ADJUSTMENTS FOR WORKING CAPITAL CHANGES :

Short Term Loans & Advances and other Current assets	(642,144)	(12,952)
Trade Receivables	6,627,068	36,622,390
Inventories	(183,890)	351,597
Long Term Provisions and other Long Term Liabilities	71,000	248,000
Short Term Provisions and other Short Term Liabilities	(7,335,294)	(8,497,485)
Trade Payables	1,147,063	(6,474,312)

<u>(316,197)</u>	<u>22,237,238</u>
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Cash Generated from Operations	7,376,414	29,183,637
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Direct Taxes paid	(1,839,191)	(2,324,080)
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NET CASH FROM OPERATING ACTIVITIES	<u>5,537,223</u>	<u>26,859,557</u>
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B) CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Fixed Assets	(2,004,597)	-
Sale of Fixed Assets	250,000	-
Purchase of Investments	(35,109,596)	(65,354,677)
Redemption / Sale of Investment	24,229,560	33,824,198
Interest Received	410,181	-
Dividend Received	7,330,007	4,330,459

NET CASH FROM INVESTING ACTIVITY	<u>(4,894,445)</u>	<u>(27,200,020)</u>
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	2013-2014 (Rupees)	2012-2013 (Rupees)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(1,087,944)	(1,067,767)
Dividend Tax Paid	(183,580)	(175,235)
NET CASH FROM FINANCING ACTIVITY	(1,271,524)	(1,243,002)
NET DECREASE IN CASH & CASH EQUIVALENTS(A+B+C)	(628,746)	(1,583,465)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	6,226,195	7,809,660
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	5,597,449	6,226,195
	(628,746)	(1,583,465)

Notes

- 1 Previous year's figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.
- 2 Cash Flow Statement has been prepared by following Indirect Method.

As per our report of even date.

For **KALYANIWALLA & MISTRY**

Chartered Accountants

Firm Registration No. 104607W

SAI VENKATA RAMANA DAMARLA

Partner

Membership No.: 107017

Place : Mumbai

Dated : 29th May, 2014

FOR AND ON BEHALF OF THE BOARD

RAJAN SANGHI

Director

M K ARORA

Director

Place : Mumbai

Dated : 29th May, 2014

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO FINANCIAL STATEMENTS**1 Accounting Policies****1.1 Basis of Preparation of financial statements**

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with the applicable accounting standards and the relevant provisions of the Companies Act, 1956.

1.2 Use of Estimates

The preparation and presentation of financial statements in conformity with the Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Differences between the actual result and the estimates are recognized in the period in which the results are known / materialized.

1.3 Fixed Assets

- (i) Fixed assets are stated at cost less accumulated depreciation
- (ii) Compensation paid to obtaining possession of the tenanted premises is capitalised under Buildings.
- (iii) Carrying amount of cash generating units/ assets are reviewed at the balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

1.4 Depreciation / Amortisation

The Company provides for depreciation at the rates prescribed under XIV of the Companies Act, 1956 as under :-

- (i) Building, Furniture and Fixtures acquired before 1st April 1981 on Written Down Value Method and assets acquired thereafter on Straight Line Method.
- (ii) Compensation paid to obtain possession of tenanted premises on Written Down Value method.
- (iii) Computer Software is amortised over a period of 3 years.
- (iv) Depreciation is provided on straight line method at the rates and manner specified in the schedule XIV of Companies Act, 1956, on the original Cost of the asset. Depreciation on additions to fixed assets costing less than Rs.5000 have been provided at 100% on pro-rata basis and depreciation on assets costing more than Rs.5000 have been provided on pro-rata basis from the date of put to use of such additions.

1.5 Impairment of Assets

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 management estimates the recoverable amount of the assets. If such recoverable

amount of the assets is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the balance sheet date there is an indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum amount of depreciated historical cost.

1.6 Lease

Lease rentals in respect of assets acquired under operating lease are charged to the Statement of Profit & Loss as incurred.

1.7 Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Resulted exchange differences arising on payment or conversion of liabilities are recognised as income or expense in the year in which they arise. Foreign currency assets & liabilities outstanding at the close of the financial year are valued at the closing exchange rate and loss/gain due to foreign exchange fluctuation is charged to the Statement of Profit & Loss.

1.8 Investments

Long Term investments are valued at cost less provision for diminution in value, if the diminution is other than temporary. Short term investments are valued at cost or market value whichever is lower.

1.9 Inventories

Traded goods are valued at cost or realizable value whichever is lower. The cost is arrived on first in first out basis.

1.10 Revenue Recognition

1. Sales are recognised on delivery of goods to customer and are exclusive of value added tax.
2. Dividend is accounted for as and when received.

1.11 Employee Benefits

- (i) Short term employee benefits are recognised as expenses at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.
- (ii) Contribution payable to the recommended Provident Fund and Super Annuation Scheme which is Defined Contribution Scheme is charged to the Statement of Profit and Loss.
- (iii) Liabilities in respect of defined benefit plans are determined based on actuarial valuation made by an independent actuary as at the balance sheet date. The actuarial gains or losses are recognised immediately in the Statement of Profit and Loss.

1.12 Borrowing Cost

Borrowing costs incurred by the company on an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of that asset.

1.13 Taxation

- (i) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of the Income Tax Act, 1961.
- (ii) Deferred Tax for timing differences between tax profit & book profit for the year is accounted for using the tax rate & laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred Tax assets arising from timing differences are recognised to the extent there is a virtual certainty that these assets would be realised in future and reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

1.14 Proposed Dividend

Proposed Dividend, if any, subject to shareholders approval at the Annual General Meeting, is provided in the books

1.15 Provisions & Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.16 Earning Per Share

The basic earning per share is computed using weighted number of common shares outstanding during the period. Diluted earning per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the period, except where the results would be anti-dilutive.

	As at 31st March, 2014 (Rupees)	As at 31st March, 2013 (Rupees)
2 SHARE CAPITAL		
(a) Authorized		
1,450,000 Equity shares, Rs. 10/- each	14,500,000	14,500,000
TOTAL	14,500,000	14,500,000
(b) Issued, Subscribed and Paid Up		
1,080,200 Equity shares, Rs. 10/- each fully paid up	10,802,000	10,802,000
TOTAL	10,802,000	10,802,000

- (1) The Company has only one class of equity shares. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend subject to the shareholders approval in the Annual General Meeting. The shareholders have rights in proportion to their shareholding for dividend as well as for assets, in case of liquidation.

(2) The details of shareholders holding more than 5% shares is as below :

Name of the shareholders	As at 31 st March, 2014		As at 31 st March, 2013	
	No. of Shares held	% held as at 31 st March 2014	No. of Shares held	% held as at 31 st March 2013
Vibhuti Investments Company Limited	735,870	68.12%	735,870	68.12%
Dr Gita Piramal	161,050	14.91%	161,050	14.91%

(3) There has been no movement in the number of shares outstanding at the beginning and at the end of the current and previous reporting period.

3 RESERVES & SURPLUS

(a) **Capital Redemption Reserve**

Balance as per last Balance Sheet 4,500 4,500

(b) **Securities Premium Reserve**

Balance as per last Balance Sheet 3,411 3,411

(c) **General Reserves**

Balance as per last Balance Sheet 75,000,000 70,000,000

Add: Transfer from Surplus 5,000,000 5,000,000

80,000,000 75,000,000

(d) **Surplus in the Statement of Profit & Loss**

Balance as per last Balance Sheet 60,726,438 59,764,487

Profit for the year 11,415,635 7,225,731

72,142,073 66,990,218

(i) Less: Transfer to General Reserve 5,000,000 5,000,000

(ii) Less: Proposed Final Equity Dividend 1,080,200 1,080,200

(iii) Less: Tax on Distributed Profits 183,580 183,580

TOTAL 65,878,293 60,726,438

GRAND TOTAL 145,886,204 135,734,349

4 OTHER LONG TERM LIABILITIES

(a) Security Deposits 215,500 215,500

(b) Others 4,778 4,778

TOTAL 220,278 220,278

5 LONG TERM PROVISIONS

(a) Provision for Gratuity* 1,233,000 1,124,000

(b) Provision for Leave Encashment 233,000 271,000

TOTAL 1,466,000 1,395,000

* Refer Note 21(b).

	As at 31st March, 2014 (Rupees)	As at 31st March, 2013 (Rupees)
6 TRADE PAYABLES		
Sundry Creditors For Goods	6,721,078	5,574,015
TOTAL	<u>6,721,078</u>	<u>5,574,015</u>
There are no dues to Micro or Small Enterprise under the Micro, Small and Medium Enterprises Development Act, 2006. The same is disclosed on the basis of information available with the company and has been relied upon by the auditors.		
7 OTHER CURRENT LIABILITIES		
(a) Unclaimed Dividends*	78,719	86,463
(b) Outstanding Liabilities	5,514,137	12,858,228
(c) Other Payables	153,080	184,056
TOTAL	<u>5,745,936</u>	<u>13,128,747</u>
* Amount due to Investor Education & Protection fund is Rs Nil.		
8 SHORT TERM PROVISIONS		
(a) Provision for Gratuity*	75,000	64,000
(b) Provision for Leave Encashment	21,000	10,000
(c) Provision for Other Employee Benefits	300,000	300,000
(d) Proposed Dividend	1,080,200	1,080,200
(e) Tax on proposed dividend	183,580	183,580
TOTAL	<u>1,659,780</u>	<u>1,637,780</u>

* Refer Note 21(b).

9 FIXED ASSETS

(Figure in Rupees)

PARTICULARS	Gross Block				Depreciation / Amortisation				Net Block	
	As at 01.04.2013	Additions	Deductions/ Adjustments	As at 31.03.2014	As at 01.04.2013	For the year	Deductions/ Adjustments	Up to 31.03.2014	As at 31.03.2014	As at 31.03.2013
TANGIBLE ASSETS :										
Freehold Land	71,093	-	-	71,093	-	-	-	-	71,093	71,093
Building	52,276,322	-	-	52,276,322	22,276,723	1,174,350	-	23,451,073	28,825,249	29,999,599
Plant & Machinery	504,598	-	-	504,598	52,293	23,968	-	76,261	428,337	452,305
Furniture & Fixture	3,229,541	203,565	-	3,433,106	1,322,192	198,646	-	1,520,838	1,912,268	1,907,349
Motor Vehicle	734,591	1,801,032	450,000	2,085,623	76,861	121,335	32,560	165,636	1,919,987	657,730
Computer	89,763	-	-	89,763	75,305	6,575	-	81,880	7,883	14,458
TOTAL TANGIBLE ASSETS	56,905,908	2,004,597	450,000	58,460,505	23,803,374	1,524,874	32,560	25,295,688	33,164,817	33,102,534
INTANGIBLE ASSETS :										
Computer Software	98,072	-	-	98,072	96,070	2,002	-	98,072	-	2,002
TOTAL INTANGIBLE ASSETS	98,072	-	-	98,072	96,070	2,002	-	98,072	-	2,002
Total	57,003,980	2,004,597	450,000	58,558,577	23,899,444	1,526,876	32,560	25,393,760	33,164,817	33,104,536
Previous Year	57,003,980	-	-	57,003,980	22,361,805	1,537,639	-	23,899,444	33,104,536	

Buildings are given on rent under Monthly Tenancy Agreement.

10 NON CURRENT INVESTMENTS

	As at 31st March 2014 (Rupees)			As at 31st March 2013 (Rupees)	
	Face Value	Qty	Amount	Qty	Amount
Trade (At Cost)					
1 <u>Quoted</u>					
In Equity Shares					
VIP Industries Ltd	2/-	3,299,980	80,150,654	3,299,980	80,150,654
Total Value of Quoted Investments			80,150,654		80,150,654

Aggregate market value of Quoted Investments **Rs. 34,48,47,910/-** (Previous year Rs. 19,98,13,789/-)

2 Unquoted

in Equity shares in Holding Company

Vibhuti Investments Company Ltd	10/-	1,770	17,700	1,770	17,700
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in Equity shares in other Companies

Alcon Finance & Investments Ltd	10/-	10	100	10	100
Dynamic Fabrica Pvt Ltd	10/-	571,230	371,300	571,230	371,300
Less : Provision for Diminution of Investments			(371,300)		(371,300)
Total Value of Unquoted Investments			17,800		17,800
TOTAL			80,168,454		80,168,454

11 DEFERRED TAX ASSETS

Deferred tax assets

	As at 31 st March, 2014 (Rupees)	As at 31 st March, 2013 (Rupees)
Gratuity provision	404,172	367,092
Leave encashment provision	78,486	86,829
Provision for Diminution in Investments	114,732	114,731
	597,390	568,652

Deferred tax liabilities

Depreciation	98,136	123,777
Net Deferred Tax Assets	499,254	444,875

Deferred Tax Charge / (Credit) for the year	(54,379)	(162,326)
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	As at 31 st March 2014 (Rupees)		As at 31 st March 2013 (Rupees)	
12 OTHER NON CURRENT ASSETS				
(Unsecured, considered good)				
Deposits	1,398,794		1,397,214	
Long Term Trade Receivables	1,121,983		1,121,983	
Others	130,031		180,031	
Advance tax	178,589		734,398	
[Net of Provision for tax Rs 45,20,000/- (Previous year Rs 21,25,000/-)]				
TOTAL	2,829,397		3,433,626	
13 CURRENT INVESTMENT				
	As at 31 st March 2014		As at 31 st March 2013	
Non-Trade (At Cost)	Qty	Amount	Qty	Amount
In Mutual Funds (Un Quoted)				
Kotak Floater Short Term -Daily dividend	4,465	4,516,497	839	848,958
Kotak Banking & PSU Debt Fund	542,147	5,439,634	-	-
Birla Sunlife Short term- Monthly Dividend	2,789,364	32,454,384	2,637,836	30,681,521
Total Value of Investments	42,410,515		31,530,479	
14 INVENTORIES				
Stock- in- Trade				
- Luggage & Accessories	6,177,340		5,993,450	
TOTAL	6,177,340		5,993,450	
15 TRADE RECEIVABLES				
(Unsecured, considered good)				
Outstanding For less than Six Months from the date payable	696,967		7,324,035	
[Includes Rs 4,03,949/- (Previous year Rs. 71,67,973/-) from the the Holding Company]				
TOTAL	696,967		7,324,035	
16 CASH AND CASH EQUIVALENTS				
Cash on Hand	190,072		186,896	
Balance with Banks in current account	5,328,658		5,952,656	
Earmarked balances with banks (Unpaid Dividend)	78,719		86,643	
TOTAL	5,597,449		6,226,195	

	As at 31 st March 2014 (Rupees)	As at 31 st March 2013 (Rupees)
17 SHORT TERM LOANS & ADVANCES		
(Unsecured, considered good)		
(a) Advances to Staff	122,350	52,000
(b) Prepaid Expenses	325,739	195,178
(c) Advance to suppliers	-	1,419
(d) Others	508,994	17,922
TOTAL	<u>957,083</u>	<u>266,519</u>
	2013-14 (Rupees)	2012-13 (Rupees)
18 REVENUE FROM OPERATIONS		
(a) Sale of Products *	65,008,752	57,727,558
(b) Property Income	4,635,768	4,635,768
(c) Other Operating Income		
- Maintenance Charges	6,707,304	6,707,304
TOTAL	<u>76,351,824</u>	<u>69,070,630</u>
* Sale of Products includes Sale of Bags and Accessories.		
19 OTHER INCOME		
<u>Dividend Income</u>		
From Current Investments	2,380,037	1,030,479
From Long term Investments	4,949,970	3,299,980
Interest Income	410,181	-
Sundry Balance written back	17,773	-
TOTAL	<u>7,757,961</u>	<u>4,330,459</u>
20 CHANGE IN INVENTORY OF <u>STOCK -IN-TRADE</u>		
(a) Opening Stock	5,993,450	6,345,047
(b) Less: Closing Stock	6,177,340	5,993,450
TOTAL	<u>(183,890)</u>	<u>351,597</u>
21 EMPLOYEE BENEFITS EXPENSE		
Salary & Wages	7,373,581	8,390,986
Contribution to Provident Fund & Other Funds	103,202	98,940
Staff Welfare Expenses	270,296	247,103
TOTAL	<u>7,747,079</u>	<u>8,737,029</u>

	2013-2014 (Rupees)	2012-2013 (Rupees)
a) Defined Contribution Plan - Provident Fund		
Amount contributed by the Company to the Employee's Provident Funds recognized as an expense and included under Employee Benefits Expense	90,218	85,152

b) Defined Benefit Plan - Gratuity:

Particulars	2013 - 2014 Gratuity (Non-Funded Plan)	2012 - 2013 Gratuity (Non-Funded Plan)
I. Assumptions		
Discount Rate	8.00%	8.00%
Rate of increase in Compensation levels	5.00%	5.00%
II. Table Showing Change in Benefit Obligation :		
Projected Benefit Obligatons (PBO) at the beginning of the year	1,188,000	985,000
Interest Cost	95,040	78,800
Service Cost	127,207	116,144
Benefits paid	-	-
Actuarial (gain) loss on obligations	(102,247)	8,056
PBO at the end of the year	1,308,000	1,188,000
III. Tables of Fair value of Plan Assets :		
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions/Transfers	-	-
Benefits paid	-	-
Gain / (loss) on Plan Assets	-	-
Fair Value of Plan Assets at the end of the year	-	-
IV. Tables of change in Plan Assets :		
Fair Value of Plan Assets at the beginning of the year	-	-
Actual return on Plan Assets	-	-
Contributions/Transfers	-	-
Benefits paid	-	-
Fair value of Plan Assets at the end of the year	-	-
Excess of actual over expected return on Plan Assets	-	-

Particulars	2013 - 2014 Gratuity (Non-Funded Plan)	2012 - 2013 Gratuity (Non-Funded Plan)
V. Funded Status	(1,308,000)	(1,188,000)
VI. Limits of Corridor not considered since total actuarial gain/loss is being recognised :		
Actuarial gain/(loss) for the year - Obligation	102,247	(8,056)
Actuarial gain (loss) for the year - Plan Assets	-	-
Sub-Total	102,247	(8,056)
Actuarial (gain)/loss recognised	(102,247)	8,056
Unrecognised actuarial gains (losses) at the end of the year	-	-
VII. The Amounts to be recognised in Balance Sheet and Income Statement and the related analysis :		
Present Value of Obligation	1,308,000	1,188,000
Fair value of Plan Assets	-	-
Difference	1,308,000	1,188,000
Unrecognised Actuarial gains (losses)	-	-
Unrecognised Transitional Liability	-	-
Liability Recognised in Balance Sheet	1,308,000	1,188,000
VIII. Net Periodic Cost :		
Current Service Cost	127,207	116,144
Interest Cost	95,040	78,800
Expected Return on Plan Assets	-	-
Net Actuarial (gain) loss recognised in the year	(102,247)	8,056
Expenses Recognised in the Income Statement	120,000	203,000
IX. Movements in the liability recognised in the Balance Sheet :		
Opening Net Liability	1,188,000	985,000
Expense as above	120,000	203,000
Contributions/Transfers	-	-
Closing Net Liability	1,308,000	1,188,000

	2013-2014 (Rupees)	2012-2013 (Rupees)
22 OTHER EXPENSES		
Electricity charges	833,467	833,534
Rent	41,448	39,048
<u>Repairs & Maintenance</u>		
Buildings	399,949	404,129
Others	104,926	93,248
Insurance	82,196	24,850
Rates and taxes*	3,545,290	4,127,414
Security charges	2,636,376	2,035,068
Housekeeping & Maintenance	848,501	773,462
Directors fees	210,000	195,000
Human Resource Procurement	985,302	1,656,941
Legal & Professional charges	1,670,703	1,212,519
<u>Payment to Auditors :</u>		
for Statutory audit	146,068	146,068
for Audit under other statute	22,472	22,472
	168,540	168,540
Provision for Diminution in Investments	-	371,300
Miscellaneous Expenses	3,410,312	2,227,341
TOTAL	14,937,010	14,162,394
* Net of Municipal Charges recovered Rs. 16,45,378/- (Previous Year Rs. 16,45,378/-)		
23 EARNING PER SHARE		
Profit attributable to Equity Shareholders (Rs.)	11,415,635	7,225,731
No. of Equity Share outstanding during the year.	1,080,200	1,080,200
Face Value of each Equity Share (Rs.)	10/-	10/-
Basic & Diluted earning per Share (Rs.)	10.57	6.69

24 SEGMENT REPORTING
Segment Information for the year ended 31st March, 2014
(Figure in Rupees)
(i) Information about primary business segment

	31.03.2014			31.03.2013		
	TRADING ACTIVITY	REAL ESTATE	TOTAL	TRADING ACTIVITY	REAL ESTATE	TOTAL
a) REVENUE FROM OPERATIONS						
Gross Revenue	65,009,726	4,635,768	69,645,494	57,727,558	4,635,768	62,363,326
Other Income from Operations	-	6,707,304	6,707,304	-	6,707,304	6,707,304
SEGMENT REVENUE	65,009,726	11,343,072	76,352,798	57,727,558	11,343,072	69,070,630
Add : Other Unallocated Income			7,756,987			4,330,459
			84,109,785			73,401,089
Less : Inter Transfer Segment Revenue			-			-
NET SALES / INCOME FROM OPERATIONS			84,109,785			73,401,089
(As per Statement of Profit & Loss)						
b) RESULTS FROM OPERATIONS						
Profit before Corporate /Common Expenses	10,534,880	2,112,513	12,647,393	9,903,264	2,532,467	12,435,731
Interest , Depreciation and Amortization						
Less : Non cash expenses						
- Depreciation	23,968	1,367,755	1,391,723	24,886	1,417,773	1,442,659
SEGMENT RESULTS (Profit before Corporate/ common expenses and interest)	10,510,912	744,758	11,255,670	9,878,378	1,114,694	10,993,072
Less : Depreciation in respect of Common /						
Corporate Assets			135,153			94,980
Other Unallocated Corporate /			5,121,248			5,917,089
Common expenses						
			5,999,269			4,981,003
Add : Other Unallocated Income			7,756,987			4,330,461
PROFIT / (LOSS) BEFORE TAX			13,756,256			9,311,464
- Current Tax			2,350,000			2,125,000
- Deferred Tax			(54,379)			(162,326)
- Excess/ (Short) Provision for Tax			45,000			123,059
PROFIT / (LOSS) AFTER TAX			11,415,635			7,225,731
(As per Statement of Profit & Loss)						
c) CAPITAL EMPLOYED (at the end of the year)						
Segment Assets	8,335,047	37,393,077	45,728,124	7,442,976	46,748,383	54,191,359
Segment Liabilities	6,993,876	5,087,443	12,081,320	6,026,948	12,340,816	18,367,764
SEGMENT CAPITAL EMPLOYED (Segment Assets - Segment Liabilities)	1,341,171	32,305,634	33,646,804	1,416,028	34,407,567	35,823,595
Unallocated corporate Assets			8,714,183			4,726,879
Unallocated corporate liabilities			(8,251,752)			(5,713,058)
Investments			122,578,969			111,698,933
Deferred Revenue Expenditure			-			-
TOTAL CAPITAL EMPLOYED (NET ASSETS)			156,688,204			146,536,349
(as per Balance Sheet)						
1. The Company has identified the following segments:						
a) The Real Estate segment, which includes letting out of properties.						
b) The Trading segment which includes retailing of plastic moulded suit cases, brief cases & vanity cases and other travel goods & accessories. These segments have been identified considering the organizational structure, internal financial reporting system, and the risk- return profiles of the business.						
2. Segment results / assets & liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.						
3. All the Company's operations are conducted in India. The Commercial risks and returns involved on the basis of geographic segmentation are relatively insignificant. Accordingly, secondary segment disclosures based on geographic segments are not considered relevant.						

25 RELATED PARTY DISCLOSURES

Related party disclosures in accordance with Accounting Standard 18

Names of Related Parties	Nature of Relationship
Vibhuti Investments Company Ltd	Holding Company (Shareholder, having control)
Kiddy Plast Ltd	Fellow Subsidiary

Transactions that have taken place during the year with related parties by the Company

Name of Related Parties	Transactions during the year	2013-2014 (Rupees)	2012-2013 (Rupees)
Vibhuti Investments Co Ltd	Revenue from Operations:		
	- Property Income	2,512,104	2,235,768
	- Maintenance Charges	6,707,304	6,707,304
	Expenses:		
	- Receovery of Property Tax	(1,645,378)	(1,645,378)
	Amount Outstanding		
	- Receivable	403,949	7,167,973

26 CONTINGENT LIABILITY NOT PROVIDED FOR IN RESPECT OF :

- Central Excise Demand disputed by the Company and matter is pending with Custom Excise Service Tax Appellate Tribunal Rs 1,118,000/- (Previous Year Rs. 1,118,000/-)
- Company has given a surety in favour of Sales Tax for Rs. 100,000/- (Previous year Rs. 100,000/-) on behalf of VIP Industries Ltd.

27 Purchase of Stock -in-trade includes Purchase of Luggage and Accessories.

28 The Company does not have any subsidiary and there are no loans given to the parent company. Hence the disclosures under Clause 32 of the Listing Agreement are not given.

29 The Company derives income from real estate under monthly tenancy agreements. The Company contends that such agreements are not in the nature of lease agreements covered under Accounting Standard (AS) 19, "Leases", issued by the Institute of Chartered Accountants of India. Hence, the standard is not applicable.

30 Previous year's figures have been regrouped / reclassified wherever necessary.

FOR AND ON BEHALF OF THE BOARD

 RAJAN SANGHI
 Director

 M K ARORA
 Director

 Place : Mumbai
 Dated : 29th May, 2014



KEMP & COMPANY LIMITED

ATTENDANCE SLIP

Registered Office: 78-A, MIDC Estate, Satpur, Nashik - 422 007, Maharashtra.

Tel.: +91-253-240 6700 Fax: +91-253-235 0756, CIN No. L25200MH1968PLC013914, Website: www.kempnco.com

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERANCE OF THE MEETING HALL
joint shareholders may obtain additional Slip at the venue of the meeting.**

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER _____

I hereby record my presence at the 47th Annual General Meeting of the Company held on Thursday, the 10th July, 2014 at 12.00 noon at "NIWEC", P-29, Street 14, MIDC, Satpur, Nashik - 422 007, Maharashtra.

* Applicable for investors holding shares in electronic form.

Signature of Shareholder / proxy _____



KEMP & COMPANY LIMITED

PROXY FORM

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

Registered Office: 78-A, MIDC Estate, Satpur, Nashik - 422 007, Maharashtra.

Tel.: +91-253-240 6700 Fax: +91-253-235 0756, CIN No. L25200MH1968PLC013914, Website: www.kempnco.com

Name of the member(s):		e-mail Id:	
Registered address:		Folio No/ *Client Id:	
		* DP Id:	

I/We, being the member (s): of _____ Shares of V.I.P. Industries Limited (the Company), hereby appoint:
 1) _____ of _____ Having e-mail id _____ or failing him
 2) _____ of _____ Having e-mail id _____ or failing him
 3) _____ of _____ Having e-mail id _____ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **133rd Annual General Meeting** of the Company, to be held on Friday, the 26th September, 2014 at 12.00 noon at the Registered Office of the Company 78-A, MIDC Estate, Satpur, Nashik - 422 007, Maharashtra. and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Consider and adopt the audited Balance Sheet as at 31 st March, 2014, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon		
2. Declaration of dividend on equity shares for the financial year 2013-14		
3. To Appointment Mr. M. K. Arora as a Director		
4. Appoint Statutory Auditors of the Company		
5. Appointment of Mr. Ranjan Sanghi as an Independent Director		
6. Appointment of Mr. Shekhar Shah as an Independent Director		
7. Appointment of Mr. Maneck Dawar as an Independent Director		

Signed this.....day of.....2014

Signature of shareholder _____

Affix a
Re. 1
Revenue
Stamp

Signature of first proxy holder _____

Signature of second proxy holder _____

Signature of third proxy holder _____

NOTES:

- This form of proxy in order to be effective should be duly completed and signed, deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- A Proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 a proxy for any other person or shareholder.
- This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as proxyholder thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- In the case of joint holders, the signature of anyone holder will be sufficient, but names of all the joint holders should be stated.

If undelivered, please return to:

KEMP & COMPANY LIMITED
INVESTORS' SERVICES DEPARTMENT
DGP House, 88-C, Old Prabhadevi Road,
Mumbai - 400 025, Maharashtra