



KUSAM ELECTRICAL INDUSTRIES LIMITED

**31ST ANNUAL REPORT
(2013-2014)**

CORPORATE INFORMATION

❖ BOARD OF DIRECTORS:

- Mr. Chandmal Goliya – Whole time Director
- Mr. Navrattanmal Goliya – Non- Executive Director
- Mr. J B. Sipani – Non- Executive Director
- Mr. Amar Bafna - Independent Director
- Mr. D. C. Babel - Independent Director

❖ INDEPENDENT AUDITORS:

M/s. Chhajed & Doshi
(Chartered Accountants)
Prabhadevi, Mumbai.

❖ SHARE TRANSFER AGENTS:

Satellite Corporate Services Pvt. Ltd.
B-302, Sony Apartment,
Opp. St Jude High School,
90 Ft Road, Jarimari, Sakinaka,
Mumbai Pin: 400072

❖ BANKERS:

- Canara Bank, Mumbai

❖ REGISTERED OFFICE:

G- 17, Bharat Industrial Estate,
T .J. Road, Sewree – West, Mumbai – 400015.
Email: kusam_meco@vsnl.com
Website: www.kusamelectrical.com

❖ LISTED IN STOCK EXCHANGES:

Bombay Stock Exchange, Mumbai

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NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting of **KUSAM ELECTRICAL INDUSTRIES LIMITED** will be held at G-17, Bharat Industrial Estate, T. J. Road, Sewree (West), Mumbai 400 015 on Friday 26th September, 2014 at 2.30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Financial Statements for the year ended March 31st 2014, the Directors Report and Auditors' Report thereon.
2. To appoint a Director in place of Shri Jhanwarlal Bhanwarlal Sipani, (DIN: 1261901) who retires by rotation and being eligible, offers himself for re appointment.
3. To appoint Auditors of the Company for a term of three years and to fix their remuneration and in this connection, to consider and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 144 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Chhajed & Doshi, Chartered Accountants, (Registration No. 101794W), Mumbai be and are hereby appointed as the 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 that the Board of Directors' of the Company be and is hereby authorised to fix their remuneration for the said period (i.e. for a term of three years) and re-imbursement of actual out of pocket expenses, as may be incurred in the performance of their duties.”

SPECIAL BUSINESS

4. To appoint Shri Dinesh Chandra Mohanlal Babel as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

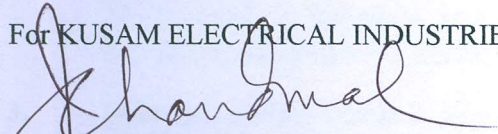
“RESOLVED THAT, pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors), Rules 2014 and Schedule IV (Code of Independent Director) and all other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing agreement, and any statutory modifications thereof for the time being in force, Shri Dinesh Chandra Mohanlal Babel (DIN: 3042254) whose term expires at the conclusion of this Annual General Meeting and in respect of whom the Company has received a notice from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years for a term up to 31st March 2019.”

5. To appoint Shri Amar Kalyanmal Bafna as an Independent Director and in this regard 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 Sections 149 and 152 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors), Rules 2014 and Schedule IV (Code of Independent Director) and all other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing agreement, and any statutory modifications thereof for the time being in force, Shri Amar Kalyanmal Bafna (DIN: 3594643) whose term expires at the conclusion of this Annual General Meeting and in respect of whom the Company has received a notice from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years for a term up to 31st March 2019.”

By order of the Board of Directors,

For KUSAM ELECTRICAL INDUSTRIES LIMITED



Chandmal Goliya

Whole Time Director

(DIN :0167842)

Place: Mumbai.

Date: 12th August, 2014

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The Proxy Form (MGT 13) should be lodged with the Company at the Registered Office at least 48 hours before the time of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate 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 a proxy for any other shareholder.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

The Explanatory 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.

3. Members, holding shares in physical form, are requested to notify changes in address, if any, to the Registrars of the Company immediately, quoting their folio numbers. Members, holding shares in dematerialized form, should send the above information to the respective Depository Participants.
4. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
5. Members desirous of getting any information in relation to the Company's Annual Report 2013-14 are requested to address their query(ies) well in advance, i.e. at least 10 days before the Meeting, to the Secretary of the Company to enable the Management to keep the information readily available at the Meeting.
6. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
7. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report. Members, who hold shares in Electronic Form, are requested to bring their Depository ID Number and Client ID Number to facilitate their identification for recording attendance at the forthcoming Annual General Meeting.
8. Members holding shares in single name and physical form are advised to make nomination in respect of shareholding in the Company. Members can avail of the Nomination facility by filing Form SH-13 with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in Demat form, the nomination has to be lodged with their DP.

9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Satellite Corporate Services Private Limited, for consolidation into a single folio.
10. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. 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(s). Members holding shares in physical form can submit their PAN details to M/s. Satellite Corporate Services Private Limited B-302, Sony Apartment, Opp St Jude High School, 90 feet Rd, Jarimari, Sakinaka, Mumbai-4000072.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
13. All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of declaration of the result of the Annual General Meeting of the Company.

14. E-Voting:

The Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 31st Annual General Meeting of the Company dated on 26th September, 2014 (the AGM Notice). The Company has appointed Monika Thanvi, Practicing Company Secretary, as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional.

Voting through electronic means

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

The procedure and instructions for E-voting are as follows:

- i) The voting period begins from 9.00 a.m. (Starting Time) on Thursday, 18th September, 2014 and ends at 5.00 p.m. (Ending Time) on Saturday, 20th September, 2014. During this period Shareholders' of the Company, holding Shares either in physical form or in dematerialized form, as

on the cut-off date 29th August, 2014, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting at the Ending Time.

- ii) Open your web browser during the voting period and log on to the E-voting website www.evotingindia.com;
- iii) Click on “Shareholders” tab to caste your votes;
- iv) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”;
- v) Now Enter your User ID
 - a) For Shareholder holding De-materialised Shares in CDSL: 16 digits beneficiary ID,
 - b) For Shareholder holding De-materialised Shares in NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi) Enter the image Verification as displayed and Click on Login
- vii) 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.
- viii) 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 folio number or client id in the PAN Field.• In case the folio number or client id 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 folio number 100 then enter RA00000100 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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Members who have not registered their Dividend Bank Details kindly enter no of shares held as on holding or cutoff date.</p> <ul style="list-style-type: none">• 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 no of shares held as on cut off date i.e. 29/08/2014 in the Dividend Bank details field.
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ix) After entering these details appropriately, click on “SUBMIT” tab;

x) Members holding shares in physical form will then reach directly 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.

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

Xii) Click on the relevant EVSN on which you choose to vote.

xiii) 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.

xiv) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.

xv) 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.

xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

xviii) If Demat account holder has forgotten the changed password then Enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.

xix) Note for Institutional Shareholders

- Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and Sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) 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.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.

xx) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

xxi) Monika Thanvi, Practicing Company Secretary (ACS No. A31494, Certificate of Practice Number 11567) has been appointed as the Scrutinizer to scrutinize the Postal Ballot and E-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding 3(three) working days from the conclusion of the E-voting period unblock the votes in the presence of at least 2(two) witness not in the employment of the Company.

xxii) Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) may also cast their vote as shareholder for respective company and send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter etc. together with attested specimen signature(s) of the duly authorized signatory/(ies) who are authorized to vote, to the Scrutinizer at email ID : csmonikascrutinizer@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com. The scanned copy image of the above mentioned documents should be in the naming format “Corporate Name- EVSN.”

xxiii) Members who do not have access to e-voting facility, may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Monika Thanvi, Practicing Company Secretary (Membership No.ACS31494 and CP No.11567), at the Registered Office of the Company at G-17, Bharat Industrial Estate, T. J. Road, Sewree (West), Mumbai 400015 not later than Saturday, 20th September, 2014.

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to csmonikascrutinizer@gmail.com by mentioning their Folio/DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company at G-17, Bharat Industrial Estate, T. J. Road, Sewree (West), Mumbai 400015 not later than Saturday, 20th September, 2014.

Ballot Form received after this date will be treated as invalid.

The voting rights of the Members shall be in proportion to their Shares of the Paid up Equity Share Capital of the Company as on the cutoff date of 12th September, 2014

A Member can opt for only one mode of voting i.e. either through E-voting or by Physical Ballot. If a Member casts votes by both modes, then voting done through E-voting shall prevail and Ballot shall be treated as invalid.

The Scrutinizer will submit his Report of the votes cast in Favour or Against by the Shareholders both by way of Physical Postal Ballot and E-voting, forthwith to the Chairman of the Company. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.chordia.com and on the website of CDSL within 2 (two) working days of the Resolutions at the AGM of the Company and shall be communicated to the BSE Ltd. where the Shares of the Company are listed.

15. All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of declaration of the result of the Annual General Meeting of the Company.

Annexure to Notice

Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

(In pursuance of Clause 49 of the Listing Agreements)

1.	Name of Director	Mr. Jhanwarlal Bhanwarlal Sipani
	Age	59
	Date of Appointment	25-05-1983
	Expertise in specific functional areas	Overall Management
	Qualifications	T. Y. Bcom
	List of Limited Companies in which outside Directorship held as on 31.03.2013	1
	Chairman/Member of the Committees of the Boards of the other Companies on which he is a Director	Nil

2.	Name of Director	Mr. DineshChandra Mohanlal Babel
	Age	71
	Date of Appointment	19.06.2012
	Expertise in specific functional areas	Chartered Accountant in Practice and LLB
	Qualifications	B.Com, FCA
	List of Limited Companies in which outside Directorship held as on 31.03.2013	2
	Chairman/Member of the Committees of the Boards of the other Companies on which he is a Director	1

3.	Name of Director	Mr. Amar Kalyanmal Bafna
	Age	44
	Date of Appointment	30/09/2013
	Expertise in specific functional areas	Chartered Accountant in Practice
	Qualifications	B.Com, FCA
	List of Limited Companies in which outside Directorship held as on 31.03.2013	Nil
	Chairman/Member of the Committees of the Boards of the other Companies on which he is a Director	Nil

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**Item No. 4**

Shri Dinesh Chandra Mohanlal Babel (DIN: 3042254), Director retires by rotation at the forthcoming Annual General Meeting. In terms of Section 149(10) of the Act, an Independent Director may be appointed by a Company for a consecutive period of 5 years. It is, therefore, proposed that Shri Dinesh Chandra Mohanlal Babel (DIN: 3042254) be appointed as an Independent Director of the Company for a consecutive period of 5 years at the forthcoming Annual General Meeting for a term up to the conclusion of the 36th Annual General Meeting of the company.

Shri DineshChandra Mohanlal Babel (DIN: 3042254) is Bachelor of Commerce, Law Graduate and Fellow Chartered Accountant and in Chartered Accountancy practice. Shri DineshChandra Mohanlal Babel (DIN: 3042254) is director in one public limited Company and one private limited company. He is not related to any other Director of the Company.

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 Shri DineshChandra Mohanlal Babel (DIN: 3042254) for the office of Director of the Company.

The Company has also received declaration from Shri DineshChandra Mohanlal Babel (DIN: 3042254) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Rules made thereunder and under clause 49 for the Listing Agreement

In the opinion of the Board, Shri DineshChandra Mohanlal Babel (DIN: 3042254) fulfills the conditions for appointment as Independent Directors as specified in the Act and the Listing agreement. Shri DineshChandra Mohanlal Babel (DIN: 3042254) is independent of the management of the Company.

Shri DineshChandra Mohanlal Babel (DIN: 3042254) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Your directors recommend the resolution at item no. 4 for your approval.

Shri DineshChandra Mohanlal Babel (DIN: 3042254) is interested in the resolution since it pertains to his appointment. None of the other directors or key managerial personnel of the Company or their relatives are in any way concerned or interested in the said resolution.

Item No. 5

Shri Amar Kalyanmal Bafna (DIN: 3594643), Director retires by rotation at the forthcoming Annual General Meeting. In terms of Section 149(10) of the Act, an Independent Director may be appointed by a Company for a consecutive period of 5 years. It is, therefore, proposed that Shri Amar Kalyanmal Bafna (DIN: 3594643) be appointed as an Independent Director of the Company for a consecutive period of 5 years at the forthcoming Annual General Meeting for a term up to the conclusion of the 36th Annual General Meeting of the company upto 31st March, 2019.

Shri Amar Kalyanmal Bafna (DIN: 3594643) is Bachelor of Commerce and Fellow Chartered Accountant and in Chartered Accountancy practice. He is not related to any other Director of the Company.

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 Shri Amar Kalyanmal Bafna (DIN: 3594643) for the office of Director of the Company.

The Company has also received declaration from Shri Amar Kalyanmal Bafna (DIN: 3594643) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Rules made thereunder and under clause 49 for the Listing Agreement

In the opinion of the Board, Shri Amar Kalyanmal Bafna (DIN: 3594643) fulfills the conditions for appointment as Independent Directors as specified in the Act and the Listing agreement. Shri Amar Kalyanmal Bafna (DIN: 3594643) is independent of the management of the Company.

Shri Amar Kalyanmal Bafna (DIN: 3594643) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

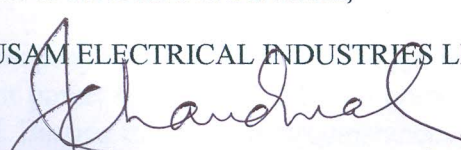
Your directors recommend the resolution at item no. 5 for your approval.

Shri Amar Kalyanmal Bafna (DIN: 3594643) is interested in the resolution since it pertains to his appointment. None of the other directors or key managerial personnel of the Company or their relatives are in any way concerned or interested in the said resolution.

Shareholders are requested to bring their copy of Annual Report in the Meeting.

By order of the Board of Directors,

For KUSAM ELECTRICAL INDUSTRIES LIMITED



Chandmal Goliya

Whole Time Director

(DIN: 0167842)

Place: Mumbai.

Dated: 12th August, 2014

DIRECTORS' REPORT

Dear Members,

Your Directors have great pleasure to present their Thirty First Annual Report together with the Audited Accounts of your Company for the Financial Year ended 31st March. 2014

FINANCIAL RESULTS:

The Financial highlights are summarized below:

(Rs.)		
PARTICULARS	2013-2014	2012-2013
Gross Income	37,198,473	39,160,693
Profit before Depreciation & Tax(PBDT)	615,729	1,922,291
Less: Depreciation	974,586	790,042
Profit/Loss before Taxation	(358,857)	1,132,249
Less: Provision for Tax	110,000	410,000
Add/Less: Deferred Tax	69,171	21,363
Add: Earlier years adjustments	Nil	Nil
Net Profit/ Loss	(399,685)	743,612

DIVIDEND

Your Directors do not recommend any dividend for this year in view of the loss incurred during the year.

OUTLOOK

The company is taking all efforts to get more orders at competitive rates. Due to bulk orders and bargain power Company is able to quote better rates and maintain high quality of the products traded. Barring unforeseen circumstances the company is confident of achieving better results in the current year.

DIRECTORS

Shri Jhanwarlal Bhanwarlal Sipani, (DIN: 1261901) Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Shri Vijaymal Lodha resigned as a director of the Company w.e.f. 1st April 2013. The Board of Directors placed on record the valuable services rendered by him during his tenure.

Shri Dinesh Chandra Mohanlal Babel (DIN: 3042254) was appointed as an Independent Director, whose period of determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956 are being appointed as independent

Director for a term of five consecutive years, A Notice has been received in writing from a Member proposing his appointment as the Director.

Shri Amar Kalyanmal Bafna (DIN: 3594643) was appointed as an Independent Director (Designated as Additional Director) w.e.f 30th September 2013 in the Annual General Meeting held on 30th September 2013. He holds office upto the date of the ensuing Annual General Meeting. A Notice has been received in writing from a Member proposing his appointment as the Director.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956 with respect to the Director's Responsibility Statement, it is hereby confirmed:

- i) That in preparation of Annual Accounts for the Year ended 31st March, 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- ii) That the Directors have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the company for the period under review.
- iii) That to the best of their knowledge and information they have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) That the directors have prepared the Annual Accounts for the financial Year ending 31st March, 2014 on a going concern basis.

AUDITORS:

The Statutory Auditors of the Company, M/s/. Chhaged & Doshi , Chartered Accountants, Mumbai having Firm Registration Number 101794W shall hold office from the conclusion of this meeting, until the conclusion of the Thirty Fourth Annual General Meeting of the Company (i.e. for a term of three years) at a remuneration to be decided by the Board of Directors in consultation with M/s. Chhaged & Doshi. The specific notes forming part of accounts referred to in the Auditors Report are self explanatory and give complete information.

AUDITORS' REPORT:

There is no adverse observations made by the Auditors in Report for the year ended 31st March, 2014

CODE OF CONDUCT

Pursuant to Clause 49 of the Listing Agreement, the declaration signed by the Whole time Director affirming the compliance of Code of Conduct by the Directors and senior management personnel for the year under review has been taken as report.

CORPORATE GOVERNANCE

The Corporate Governance guidelines not applicable to Company for year ended 31st March, 2014. The Board as initiated the procedure for the Corporate Governance for the year ending 2015 and thereafter.

FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits in terms of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975.

PARTICULARS OF EMPLOYEES:

None of the employees is covered by the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and therefore no details have been furnished as part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Your Company has no activities relating to conservation of energy and absorption of Technology.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the Year under review the Company has earned foreign exchange of Rs. 287,193/- on account of export sale and outgo of foreign exchange during the year was Rs. 18,901,132/- for imports and Rs.638,298/- for Travelling.

ACKNOWLEDGMENT:

The relationship of the Company with the employees at all the levels continues to be cordial and healthy. Your Directors wish to place on record their appreciation of the significant contribution made by each and every employee of the Company and expect continued support for achieving the targets set for the future.

The Board acknowledges the support and co-operation received from Government, Bankers, Financial Institutions, Shareholders, Suppliers, associates & sub-contractors and looks forward to their continued support.

Place: Mumbai
Date: 12th August, 2014


For and on behalf of the Board
Chandmal Goliya
(DIN: 0167842)
Wholetime Director

INDEPENDENT AUDITORS' REPORT

To,
**THE MEMBERS OF
KUSUM ELECTRICALS INDUSTRIES LIMITED,**

Report on the Financial Statements

We have audited the accompanying financial statements of **Kusam Electricals Industries Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and 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 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 of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). 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.

Auditors' Responsibility

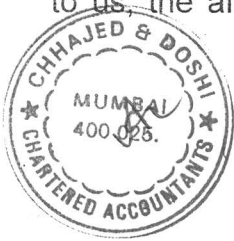
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform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

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 misstatement 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 entire internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 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, 2014.
- (b) In the case, of the Statement of Profit and Loss, of the loss 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

- i. Attention is drawn to note no 28 wherein the various conditions as stipulated in the listing agreement have not been complied with and liabilities / cost arising in respect thereof are unascertainable.
- ii. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- iii. 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, the Statement of Profit and Loss and the Cash Flow Statement, comply with the Accounting Standards referred to in sub section (3C) of section 211 of Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2014, 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 Section 274(1) (g) of the Act.

Place: Mumbai



Date : 24th May 2014

For CHHAJED & DOSHI.
CHARTERED ACCOUNTANTS
[FRN 101794W]

Aruna D. Dhanesha
Aruna. D. Dhanesha
Partner
(Membership No. 107863)

Annexure to Independent Auditors' Report

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

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed Assets.
- b) The Company has a regular programme of physical verification of its fixed assets and no material discrepancies were noticed on such verification during the year.
- c) In our opinion and according to the information and explanation given to us, the Company has not disposed off a substantial part of fixed assets during the year.
- ii. a) The inventory has been physically verified during the year by the management at periodical intervals. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us and on the basis of our examination of records of inventory, the Company is maintaining proper records of inventory.
- iii. As informed to us, the Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, reporting under clause (iii) of paragraph 4 of the Order is not applicable.
- iv. 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 purchase of inventory, fixed assets and sale of goods and services.
- v. Based on the audit procedures applied by us and according to the information, provided to us by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 have been entered and the transactions are made at the prices which are reasonable with regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and the rules framed there under. Therefore, the provisions of section 58AA or any other relevant provision of the Act are not applicable to the Company.
- vii. We have been informed by the management that day to day operations of the company are supervised by Directors and looking the size and nature of its business the company at present does not have formal internal audit systems.
- viii. Since the company is not a manufacturing company, hence provisions for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 are not applicable to the company.
- ix. a) According to the information and explanations given to us and on the basis of the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Sales tax, income tax, wealth tax, service tax, custom duty, cess, excise duty, provident fund, employee's state insurance, investor education & protection fund and other material statutory dues as applicable with appropriate authorities.



b) According to the information and explanation given to us and the records of the company, there have been no dues in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, Cess and Service Tax etc. which have not been deposited on account of any dispute.

- x. The Company has not incurred any cash losses during the financial year under report and during the immediately preceding financial year.
- xi. Based on our procedures and on the basis of information and explanations given by the management, in our opinion the Company has not defaulted in repayment of dues to a financial institution and bank.
- xii. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures, stock and other securities.
- xiii. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund, nidhi or mutual benefit fund/ societies are not applicable to the Company.
- xiv. In our opinion and according to the information and explanation gives to us, the company is not dealing in or trading in shares, securities, debentures and other investments.
- xv. According to the information and explanations provided to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. The term loan obtained by the company during the year has been applied for the purpose for which it has been obtained.
- xvii. On the basis of our examinations of the books of account and the explanations and information's provided to us, in our opinion, the funds raised on short term basis have not been used for long term investment.
- xviii. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Act.
- xix. The Company has not issued any debentures and hence clause 4(xix) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- xx. During the year covered by our report the Company has not raised any money by way of public issue.
- xxi. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the Company nor have we been informed of such cases by the management.

Place: Mumbai



Date : 24th May 2014

For CHHAJED & DOSHI.
CHARTERED ACCOUNTANTS
[FRN 101794W]

Aruna D. Dhanesha
Aruna. D. Dhanesha
Partner
(Membership No. 107863)

KUSAM ELECTRICAL INDUSTRIES LIMITED

Regd. Office : G-17, Bharat Industrial Estate, T.J.Road, Sewree(W), Mumbai - 400 015.INDIA

CIN : 31909MH1983PLC220457

Statement of Assets and Liabilities as on 31st March, 2014

Particulars		Note No.	As at 31 March, 2014	As at 31 March, 2013
			₹	₹
A	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital	3	2,400,000	2,400,000
	(b) Reserves and Surplus	4	13,799,550	14,199,234
			16,199,550	16,599,234
2	Non-Current Liabilities			
	(a) Long-Term Borrowings	5	434,206	592,769
	(b) Other Long-Term Liabilities	6	370,000	235,144
	(c) Long-Term Provisions	7	97,114	93,398
			901,320	921,311
3	Current Liabilities			
	(a) Short-Term Borrowings	8	1,836,435	-
	(b) Trade Payables	9	306,907	566,762
	(c) Other Current Liabilities	10	2,149,809	2,289,194
	(d) Short-Term Provisions	11	1,111,320	982,520
			5,404,471	3,838,476
	TOTAL		22,505,341	21,359,021
B	ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	12	7,447,226	7,727,897
	(b) Non-Current Investments	13	255	255
	(c) Deferred Tax Assets (net)	42	447,655	378,485
	(d) Long-Term Loans and Advances	14	582,436	298,290
	(e) Other Non-Current Assets		-	-
			8,477,572	8,404,927
2	Current assets			
	(a) Current Investments		-	-
	(b) Inventories	15	11,032,878	8,504,357
	(c) Trade Receivables	16	2,047,029	1,502,268
	(d) Cash and Bank Balances	17	112,983	736,824
	(e) Short-Term Loans and Advances	18	715,380	1,492,588
	(f) Other Current Assets	19	119,499	718,057
			14,027,769	12,954,094
	TOTAL		22,505,341	21,359,021
See accompanying notes forming part of the financial statements		1-43		

As per our report of even date attached

For CHHAJED & DOSHI

Chartered Accountants

[Firm Ref. No. 101794 W]

Aruna D. Dhanesha
CA Aruna.D.Dhanesha

Partner

Membership No:107863

Place : Mumbai

Date :24th May 2014



For and on behalf of the Board of Directors of

For KUSAM ELECTRICAL INDUSTRIES LIMITED

Chandmal P. Goliya
Chandmal P. Goliya

Wholetime Director

[Signature]
Director

KUSAM ELECTRICAL INDUSTRIES LIMITED

CIN : 31909MH1983PLC220457

Statement of Profit and Loss for the year ended 31st March, 2014

Particulars		Note No.	For the year ended 31 March, 2014	For the year ended 31 March, 2013
			₹	₹
1	INCOME:			
1	Revenue from Operations	20	37,046,268	39,078,024
2	Other Income	21	152,205	82,669
3	Total Revenue (1+2)		37,198,473	39,160,693
4	EXPENSES:			
	(a) Purchases of Stock-in-Trade	22	23,887,173	24,640,503
	(b) Changes in Inventories of Stock-in-Trade	23	(2,164,087)	(698,557)
	(c) Employee Benefits Expense	24	4,106,737	3,300,541
	(d) Finance Costs	25	385,559	237,099
	(e) Depreciation and Amortisation Expense	12	974,586	790,042
	(f) Other Expenses	26	10,360,065	9,739,386
	Total Expenses		37,550,032	38,009,014
5	Profit before exceptional and extraordinary items and tax (3 - 4)		(351,559)	1,151,679
6	Exceptional Items	27	(7,298)	(19,430)
7	Profit before extraordinary items and tax (5 + 6)		(358,857)	1,132,249
8	Extraordinary Items		-	-
9	Profit Before Tax (7 + 8)		(358,857)	1,132,249
10	Tax Expense:			
	(a) Tax Expense for Current Year		110,000	410,000
	(b) Tax Expense Relating to Prior Years			
	(c) Net Current Tax Expense			
	(d) Deferred Tax		(69,171)	(21,363)
			40,829	388,637
11	Profit / (Loss) for the year		(399,685)	743,612
12	Earnings per share (of ₹10/- each) Basic and Diluted	41	-1.67	3.10
See accompanying notes forming part of the financial statements		1-43		

As per our report of even date attached

For CHHAJED & DOSHI

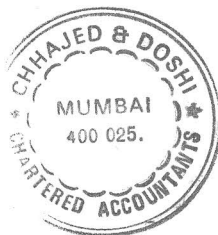
Chartered Accountants

[Firm Ref. No. 101794 W]

CA Aruna.D.Dhanesha

Partner

Membership No:107863



**For and on behalf of the Board of Directors of
KUSAM ELECTRICAL INDUSTRIES LTD.**

Chandmal P. Goliya
CHANDMAL P.GOLIYA
Wholetime Director

[Signature]
Director

Place : Mumbai

Date :24th May 2014

KUSAM ELECTRICAL INDUSTRIES LIMITED
Cash Flow Statement for the year ended 31st March, 2014

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		-358,857		1,132,249
<u>Adjustments for:</u>				
Depreciation and amortisation	974,586		790,042	
Loss on sale / write off of assets	7,298		19,430	
Finance costs	385,559		237,099	
Interest income	-58,871		-36,733	
Net unrealised exchange (gain) / loss	-15,192		-9,352	
		1,293,380		1,000,486
Operating profit / (loss) before working capital changes		934,523		2,132,735
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	-2,528,521		-786,283	
Trade receivables	-544,761		-223,704	
Loans and advances	667,208		641,817	
Other Current Assets	598,558		85,464	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Other Liabilities and Provisions	127,991		796,132	
Trade payables	-259,855		150,385	
		-1,939,380		663,811
Net unrealised exchange (gain) / loss		15,192		9,352
Taxes Paid		100,764		92,717
Net cash flow from / (used in) operating activities (A)		-1,090,429		2,898,615
B. Cash flow from investing activities				
Proceeds from sale of fixed assets	-		99,608	
Interest Income	58,871		36,733	
Capital expenditure on fixed assets	-701,209		-2,822,857	
Net cash flow from / (used in) investing activities (B)		-642,338		-2,686,516
C. Cash flow from financing activities				
Proceeds from other long-term borrowings(Net)	-158,563		592,769	
Proceeds from other short-term borrowings(Net)	-		-414,589	
Long-term loans and advances	-183,382		-152,052	
Finance cost	-385,559		-237,099	
Net cash flow from / (used in) financing activities (C)		-727,504		-210,971
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		-2,460,271		1,128
Cash and cash equivalents at the beginning of the year		735,424		750,139
Cash and cash equivalents at the end of the year		-1,724,846		751,267



KUSAM ELECTRICAL INDUSTRIES LIMITED
Cash Flow Statement for the year ended 31st March, 2014

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	₹	₹	₹	₹
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 19)		-1,723,452		736,824
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 <i>Cash Flow Statements</i> (give details)		1,400		1,400
Net Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>) included in Note 16		-1,724,852		735,424
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>)				-
Cash and cash equivalents at the end of the year *		-1,724,852		735,424
* Comprises:				
(a) Cash on hand	111,583		314,619	
(b) Balances with banks				
(i) In current accounts	1,836,435		420,805	
(c) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)				
		1,724,852		735,424

Notes:

- (i) The Cash Flow Statement reflects the cash flows pertaining to continuing operations.
(ii) These earmarked account balances with bank can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial

As per our report of even date attached

For CHHAJED & DOSHI

Chartered Accountants

(Firm Ref. No. 101794 W)

CA Aruna.D.Dhanesha

Partner

Membership No:107863

Place : Mumbai

Date : 24th May 2014



**For and on behalf of the Board of Directors of
For KUSAM ELECTRICAL INDUSTRIES LIMITED**

Chandmal P. Goliya
CHANDMAL P.GOLIYA
Wholtime Director

[Signature]
Director

KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note	Particulars
1	Corporate information Kusam Electrical Industries Ltd is listed company having its shares listed at Bombay stock Exchange & Calcutta Stock Exchange. The company is importer and trader in Digital Multimeters & Clampmeters in Indian industry.
2	Significant accounting policies
2.1	Basis of accounting and preparation of financial statements The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
2.2	Use of estimates The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known or materialized.
2.3	Inventories In respect of inventories, Stock of Trading Goods is valued at lower of cost or market value and Packing Material and Stores and spares are valued at cost.
2.4	Cash and cash equivalents (for purposes of Cash Flow Statement) Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
2.5	Cash flow statement Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
2.6	Tangible fixed assets Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.
2.7	Depreciation and amortisation The Company provides depreciation as per written down value method at the rates prescribed in Schedule XIV to The Companies Act, 1956. On additions / deletions to the fixed assets made during the year, depreciation is provided on pro-rata basis. Depreciation @ 100% is provided on assets costing less than Rs. 5,000/-.
2.8	Revenue recognition <u>Sale of goods</u> Sales are recognised on transfer of significant risks and rewards of ownership to the buyer, which generally coincides at the time of dispatch of goods to the buyer. <u>Income from services</u> Revenues from services are recognised when such services are rendered.
2.9	Other income Interest income is accounted on accrual basis. The sources of other operating revenue include providing services such as Calibration and repairing of electrical & electronics measuring instruments. Dividend income is accounted for when the right to receive it is established.
2.10	Foreign currency transactions and translations Foreign currency transactions are accounted at the rates prevailing on the date the transaction takes place. Foreign currency assets and liabilities at the year-end are restated at the prevailing exchange rates and any difference is recognized in the Profit and Loss Account except in cases where they relate to the acquisition of qualifying fixed assets in which case they are adjusted to the carrying cost of such assets.
2.11	Investments Long-term investments are valued at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of such investment, such reduction being determined and made for each investment individually.
2.12	Employee benefits Short term employee benefits are recognized as an expense at the undiscounted amounts in the Profit and Loss account of the year in which the related service is rendered. <u>Defined benefit plans</u> Provision for gratuity and leave salary is made on the basis of actuarial valuation at the end of financial year.



Note	Particulars
2.13	Borrowing costs Borrowing costs attributable to the acquisition of qualifying Assets are capitalized, all other borrowing costs are charged off to the Profit and Loss Account.
2.14	Segment reporting The Company operates in single business segment of Electrical & Electronics Measuring Instruments.
2.15	Earnings per share Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares
2.16	Taxes on income Tax on income for the current period is determined on the basis of the taxable income computed in accordance with the provisions of Income Tax Act, 1961. Deferred Tax is recognized on timing differences between accounting income and taxable income for the year, and based on the rates of tax as per law enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognized and carried forward, subject to consideration of prudence, to the extent that there is a reasonable certainty of its realization.
2.17	Impairment of assets Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.
2.18	Provisions and contingencies A Provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent Liabilities, if material, are disclosed by way of notes to accounts. Contingent Assets are not recognized or disclosed in the financial statements.



KUŞAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 3 Share Capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity Shares of Rs. 10/- each	250,000	2,500,000	250,000	2,500,000
(b) Issued, Subscribed and fully paid up Equity Shares of Rs. 10/- each	240,000	2,400,000	240,000	2,400,000
Total	240,000	2,400,000	240,000	2,400,000

Refer Notes (i) to (viii) below

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Buy back	Closing Balance
Equity Shares				
Year ended 31 March, 2014				
- Number of shares	240,000	-	-	240,000
- Amount (Rs.)	2,400,000	-	-	2,400,000
Year ended 31 March, 2013				
- Number of shares	240,000	-	-	240,000
- Amount (Rs.)	2,400,000	-	-	2,400,000

The Company has neither issued bonus shares nor brought back any equity shares during the last 5 years.

(ii) Rights & Restrictions attached to shares

(a) The Company has only one class of share capital namely Equity Shares having face value of Rs 10/- each. The equity shares have right, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 1956.

(b) In respect of every equity share (whether fully paid or partly paid except where calls are in arrears), voting right shall be in the same proportion as the capital paid up on such equity share bears to the total paid up equity capital of the company.

(c) The dividend proposed by Board Of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(d) In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: NIL

(iv) Details of shares held by each shareholder holding more than 5% of the Aggregate shares in the Company.

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Chandmal Goliya	66,300	27.63	66,300	27.63
Jhanwarlal Sipani	39,500	16.46	39,500	16.46
Nandita Goliya	27,700	11.54	27,700	11.54
Navarattanml Goliya	13,000	5.42	13,000	5.42
Abhaykumar Goliya	20,000	8.33	20,000	8.33
Kamal Goliya	18,350	7.65	18,350	7.65
Paras Electronics Pvt. Ltd.	18,350	7.65	18,350	7.65
Suraj Instruments Pvt. Ltd.	15,000	6.25	15,000	6.25

(v) As at 31 March, 2014- NIL shares (As at 31 March, 2013 NIL shares) were reserved for issuance.

(vi) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date: NIL

(vii) Details of calls unpaid - NIL

(viii) Details of forfeited shares - NIL



KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 4 Reserves and Surplus

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Surplus in Statement of Profit and Loss		
Opening Balance	14,199,234	13,455,622
Add: Profit for the year	(399,684)	743,612
Total	13,799,550	14,199,234

Note 5 long-term Borrowings

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Secured Loans		
(i) Motor Car Loan from HDFC Bank (Secured by Hypothecation of the Motor Car)	434,206	592,769
Total	434,206	592,769

Note 6 Other long-term liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Others:		
(i) Trade Deposits Received	370,000	235,144
Total	370,000	235,144

Note 7 Long-term provisions

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Provision for Employee benefits:		
(i) Provision for Gratuity	79,376	77,690
(ii) Provision for Leave Salary	17,738	15,708
Total	97,114	93,398

Note 8 Short-term borrowings

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Loans Repayable on Demand		
From Banks	1,836,435	-
Secured	-	-
Total	1,836,435	-

Notes:

(i) Details of Security for the Secured Short-Term Borrowings:

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
<u>Loan Repayable on Demand from Banks:</u>		
Canara Bank Cash Credit *	1,836,435	-
(Secured by Hypothecation of Inventory and Books Debts Guaranteed under Credit Guarantee Fund trust Scheme for Micro and Small Enterprises)		
Total - From Banks	1,836,435	-
*The Company does not have any continuing default in repayment of loan and interest as on the balance sheet date.		



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KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 9 Trade Payables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Trade Payables	306,907	566,762
Total	306,907	566,762

Note 10 Other Current Liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Current Maturities of Long-term Debt (Secured by Hypothecation of the Motor Car)	158,563	140,718
(b) Other Payables		
(i) Statutory Remittances	248,985	196,107
(ii) Advances from Customers	108,459	372,667
(iii) Employee Related	273,014	243,502
(iv) Provision for Bonus	444,268	348,363
(iv) Other Payables	916,519	987,837
Total	2,149,809	2,289,194

Note 11 Short-Term Provisions

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Provision for Employee Benefits:		
(i) Provision for Gratuity	1,111,007	982,065
(ii) Provision for Leave Salary	313	455
Total	1,111,320	982,520

Note 13 Non-Current Investments

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Other Investments	-	-
Investments in Equity Instruments	-	-
UnQuoted (At Cost)		
5 Shares of The Mahakant Owners Association Ahmedabad of Rs.51/- each fully paid up (At Cost)	255	255
Total	255	255
Aggregate Value of Unquoted Investment	255	255



KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 12 Fixed Assets

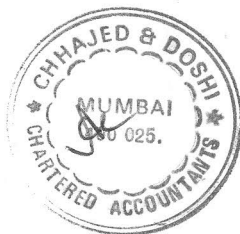
(Amount in Rs)

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2013	Additions	Disposals	Balance as at 31st March 2014	Balance as at 1st April 2013	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at 31st March 2014	Balance as at 31st March 2014	Balance as at 1st April 2013
Tangible Assets (Owned)										
(a) Air Conditioners	240,031	35,737	-	275,768	45,949	31,328	-	77,275	198,493	194,082
(b) Office Premises*	4,846,865	256,383	-	5,103,248	694,650	213,414	-	908,063	4,195,185	4,152,215
(c) Furniture and Fixtures	1,979,679	258,006	-	2,237,685	911,249	209,709	-	1,120,957	1,116,728	1,068,430
(d) Electrical Fittings	170,526	79,418	-	249,944	16,270	36,624	-	52,894	197,050	154,256
(e) Office equipment	693,123	35,370	-	728,493	367,100	48,571	-	415,672	312,821	326,023
(f) Computers**	400,179	36,295	(68,164)	368,310	227,933	72,514	(60,866)	239,581	128,729	172,245
(g) Testing Equipment	1,079,154	-	-	1,079,154	421,759	102,685	-	524,444	554,710	657,395
(h) Vehicles ***	1,855,528	-	-	1,855,528	852,277	259,742	-	1,112,020	743,508	1,003,251
Total	11,265,085	701,210	(68,164)	11,898,130	3,537,187	974,586	(60,866)	4,450,907	7,447,226	7,727,897
Previous Year	9,130,130	2,822,857	687,901	11,265,085	3,316,010	790,042	568,864	3,537,187	7,727,897	5,814,120

*Office Premises costing Rs 1,032,000 is in the process of transfer in the name of the company.

** Computer costing Rs 68,164 having Written down value of Rs.7,298 have been Discarded during the financial year.

*** Two of the vehicles are being held in the name of the Whole time director in trust for and on behalf of the Company.



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KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 14 Long-Term Loans and Advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Unsecured, considered good		
(a) Security Deposits	25,683	12,070
(b) Loans and Advances to Employees	321,821	152,052
(c) Advance Income Tax (Net of provisions)	234,932	134,168
Total	582,436	298,290

Note 15 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Stock-in-trade	10,131,809	7,967,722
(b) Consumable Stores and Spares	246,863	190,100
(c) Packing Material	654,206	346,535
Total	11,032,878	8,504,357

Note 16 Trade Receivables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	24,247	34,786
Other Trade Receivables	2,022,782	1,467,482
Total	2,047,029	1,502,268

Note 17 Cash and Bank Balances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Cash and Cash Equivalents		
(i) Cash on hand	111,583	314,619
(ii) Balances with Banks in Current Accounts	-	420,805
(b) Other Bank Balances		
(Margin money with banks against bank guarantee and FLC)		
(i) Deposits (less than three months)	-	-
(ii) Deposits (more than one year)	1,400	1,400
Total	112,983	736,824

Note 18 Short-Term Loans and Advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Unsecured, considered good		
(a) Security Deposits	-	-
(b) Loans and Advances to Employees	-	2,780
(c) Prepaid Expenses	161,811	113,928
(d) Advances Recoverable in Cash or kind	553,569	1,375,880
Total	715,380	1,492,588



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KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 19 Other current assets

	Particulars	As at 31 March, 2014	As at 31 March, 2013
		₹	₹
(a)	Interest Accrued on Deposits	290	160
(b)	VAT Refund Receivable	23,119	20,578
(c)	SAD Refund Receivable	96,090	380,031
(d)	Stock of Catalogues	-	317,288
	Total	119,499	718,057

Note 20 Revenue from Operations

	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(a)	Sale of Traded goods @ (Refer Note (i) below)		
	Export Sales	287,193	627,340
	Inland Sales	36,504,730	36,566,858
	High Sea Sales	-	1,257,875
		36,791,923	38,452,073
(b)	Other Operating Revenues (Refer Note (ii) below)	254,345	625,951
	Total	37,046,268	39,078,024
Note			
(i)	Sale of Products Comprises :		
	Traded Goods		
	Meters, Instruments & Accessories	36,791,923	38,452,073
		36,791,923	38,452,073
(ii)	Other Operating Revenues Comprise:		
	Calibration Charges	52,900	103,838
	Repairing Charges	201,445	522,113
	Total - Other Operating Revenues	254,345	625,951

Note 21 Other Income

	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(a)	Interest Income (Refer Note (i) below)	58,871	36,733
(b)	Net Gain on Foreign Currency Transactions and Translation	15,192	9,352
(c)	Other Non-Operating Income (Refer Note (ii) below)	78,142	36,584
	Total	152,205	82,669
Note			
(i)	<u>Interest Income Comprises:</u>		
	Interest from Banks on :		
	Fixed Deposits	19,965	17,062
	Other Deposits(loans to employees)	38,906	19,671
	Interest on Overdue Trade Receivables	-	-
	Interest on Income Tax Refund	-	-
	Total - Interest Income	58,871	36,733
(ii)	<u>Other Non-Operating Income Comprises:</u>		
	Liabilities no longer required written back	78,142	36,584
	Total - Other Non-Operating Income	78,142	36,584



KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 22 Purchase of Traded Goods

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Purchase of Stock in trade (refer note (i) below)	23,887,173	24,640,503
	23,887,173	24,640,503
Note (i) Purchase of Stock in trade Meters, Instruments & Accessories	23,887,173	24,640,503
Total	23,887,173	24,640,503

Note 23 Changes in Inventories of Stock-in-trade

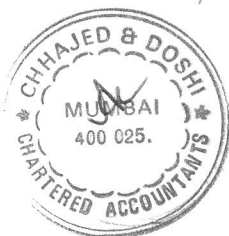
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Inventories at the end of the year:		
Stock-in-trade (refer note (i) below)	10,131,809	7,967,722
Inventories at the beginning of the year:		
Stock-in-trade (refer note (ii) below)	7,967,722	7,269,165
Net (increase) / decrease	(2,164,087)	(698,557)
Note (i) Closing Stock in trade Meters, Instruments & Accessories	10,131,809	7,967,722
Total	10,131,809	7,967,722
Note (ii) Opening Stock in trade Meters, Instruments & Accessories	7,967,722	7,269,165
Total	7,967,722	7,269,165

Note 24 Employee Benefits Expense

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Salaries and Wages	3,634,311	2,847,204
Contributions to Gratuity Fund	190,775	184,955
Staff Welfare Expenses	281,651	268,382
Total	4,106,737	3,300,541

Note 25 Finance Costs

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
(a) Interest Expense on:		
(i) Borrowings	261,775	160,449
(ii) Term Loan	80,442	54,358
(b) Other Borrowing Costs	1,348	1,348
(c) OCC Renewal Charges	41,994	20,944
Total	385,559	237,099



KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 26 Other Expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Consumption of Stores and Spare Parts	605,132	658,303
Consumption of Packing Materials	1,559,977	1,679,487
Electricity Charges	216,722	249,500
Repairs and Maintenance - Buildings	27,056	6,018
Repairs and Maintenance - Machinery	17,507	76,481
Repairs and Maintenance - Others	174,308	124,578
Insurance	43,554	31,770
Rates and Taxes	99,478	70,297
Travelling and Conveyance	1,094,459	937,928
Printing and Stationery	1,445,353	1,000,587
Sales Commission	-	19,187
Vehicle Expense	306,335	383,073
Legal & Professional Charges	762,768	248,805
Freight & Forwarding	422,000	324,484
Communication Expense	128,562	127,125
Advertisement Expenses	952,233	771,178
Exhibition Expenses	308,261	25,000
Donations and Contributions	503,500	1,024,500
Postage & Courier Charges	184,511	302,695
Payments to Auditors (Refer Note (i) below)	382,313	336,160
Miscellaneous Expenses	1,126,036	1,342,230
Total	10,360,065	9,739,386
Notes:		
<u>(i) Payments to the Auditors Comprises :</u>		
As Auditors - Statutory Audit	130000	100,000
For Tax Audit Fee	75000	75,000
For VAT Audit	40000	40,000
For Taxation Matters	49680	49,680
Certification Fees	45577	34,501
Service Tax	42056	36979
Total	382,313	336,160

Note 27 Exceptional Item

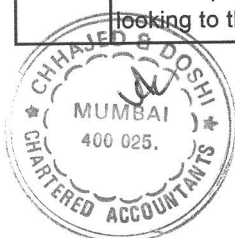
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Loss on Sale/Discard of Fixed Assets	(7,298)	(19,430)
	(7,298)	(19,430)



KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Additional information to the financial statements

Additional information to the financial statements				
Note	Particulars			
28	The company is listed on Bombay Stock Exchange and Calcutta Stock Exchange.but due to non compliance of various terms and conditions as envisaged in the listing agreements, trading in Company's shares has been suspended.The Company has initiated the process of complying with the requirements of Bombay Stock Exchange.Costs and/or Liability, if any, arising on account of regularising the same with the stock exchanges is not ascertainable and will be accounted as and when demanded.			
29	Particulars	As at 31 March, 2014	As at 31 March, 2013	
	Contingent Liabilities and Commitments (to the extent not provided for)	₹	₹	
	Contingent liabilities			
	(a) Claims against the Company not acknowledged as debt	NIL	NIL	
	(b) Guarantees			
	Bank Gurantees against FDR of 1400 (P.Y. Rs.1400)	1,390	1390	
	Letters of Credit against FDR of Rs NIL (P.Y.- Nil)	NIL	NIL	
	(c)Demand from Bombay Stock exchange for Various Non compliances	2,340,450	-	
30	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006			
	Particulars	As at 31 March, 2014	As at 31 March, 2013	
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year			
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year			
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day			
	(iv) The amount of interest due and payable for the year			
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year			
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid			
31	Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges			
	Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties: NIL (P.Y. NIL).			
32	Details on Unhedged Foreign Currency Exposures			
	The company has not carried out any hedging of foreign currency receivable and payable. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below			
	As at 31 March, 2014		As at 31 March, 2013	
	Receivable/ Receivable/	Receivable/ (Payable) in Foreign currency	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency
	₹	\$	₹	\$
	474,672	\$7,865	12,62,931	\$23,110.50
	(130,640)	\$2,180	(3,78,587)	(\$6,914.20)
33	Provisions			
	The company has given warranties on products sold by it. However no provision has been made for the same looking to the past experience of claims received and on materiality grounds.			



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KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

34	Value of Imports Calculated on CIF Basis:	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
	Trading Goods (Meters, Instruments & Accessories)	18,901,132	19,708,864
35	Expenditure in Foreign Currency :	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
	Travelling Expense	638,298	527,628
	Others	NIL	NIL
36	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
	Earnings in Foreign Exchange:		
	Export of Goods Calculated on FOB Basis	287,193	627,340



KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 37 : Employee Benefit Plans

Notes	Particulars				
37.1	Defined Benefit Plans				
	The Company offers the following employee benefit schemes to its employees:				
	i. Gratuity				
	ii. Leave Salary				
		Year ended 31 March, 2014	Year ended 31 March, 2013	Year ended 31 March, 2014	Year ended 31 March, 2013
	Particulars	Gratuity	Gratuity	Leave Salary	Leave Salary
		₹	₹	₹	₹
37.2	Components of employer expense				
	Current service cost	110,924	101,931	7,239	3,298
	Interest cost	90,079	74,358	1,374	1,168
	Expected return on plan assets	0	0	0	0
	Actuarial losses/(gains)	(10,228)	8,666	(6,725)	(2,041)
	Total expense recognised in the Statement of Profit and Loss	190,775	184,955	1,888	2,425
37.3	Actual contribution and benefit payments for year				
	Actual benefit payments	(60,147)	NIL	NIL	NIL
	Actual contributions	NIL	NIL	NIL	NIL
37.4	Net asset / (liability) recognised in the Balance Sheet				
	Present value of defined benefit obligation 31st March	1,190,383	1,059,755	18,051	16,163
	Fair value of plan assets	NIL	NIL	NIL	NIL
	Funded status [Surplus / (Deficit)]	NIL	NIL	NIL	NIL
	Net asset / (liability) recognised in the Balance Sheet	1,190,383	1,059,755	18,051	16,163
	* Being Surplus, as a prudence not recognised in the books				
37.5	Change in defined benefit obligations (DBO) during				
	Present value of DBO at beginning of the year	1,059,755	874,800	16,163	13,738
	Current service cost	110,924	101,931	7,239	3,298
	Interest cost	90,079	74,358	1,374	1,168
	Actuarial (gains) / losses	(10,228)	8,666	(6,725)	(2,041)
	Benefits paid	(60,147)	NIL	NIL	NIL
	Present value of DBO at the end of the year	1,190,383	1,059,755	18,051	16,163
37.6	Actuarial assumptions				
	Discount rate	9.00%	8.50%	9.00%	8.50%
	Salary escalation	5.00%	5.00%	5.00%	5.00%
	Medical cost inflation	NA	NA	NA	NA
	Mortality tables	Indian Assured Lives Mortality(2006-08)	LIC(1994-96) ULTIMATE	Indian Assured Lives Mortality(2006-08)	LIC(1994-96) ULTIMATE
38	Segment Reporting				
	Segment information: The Company is engaged in trading in Electrical & Electronic Measuring Instruments and all Business Operations are carried from a single geographical segment. Therefore there are no reportable business and geographical segments.				



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KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 39: Related Party Transactions

Note	Particulars			
39.1	Details of Related Parties:			
	Description of Relationship		Names of Related Parties	
	Associates		Goliya Instruments Private Limited Goliya Electricals Private Limited Kusam - Meco Import Export Private Limited Mahavir Instrumentation Private Limited Goliya Industrial Corporation Manan Computers	
	Key Management Personnel (KMP)		Shri C.P. Goliya (Wholetime Director)	
	Relatives of Key Management Personnel (KMP)		Smt. Neha Goliya (Daughter-in-law of Director)	
39.2	Note: Related parties have been identified by the Management.			
	Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:			
	Nature of Transaction	Associates	KMP/ Relative of KMP	Total
	Purchase of goods	280,421 (664,617)	NIL (NIL)	280,421 (664,617)
	Sale of goods	29,278 (1,355,813)	NIL (NIL)	29,278 (1,355,813)
	Payment of rent, rates and taxes	NIL (26,105)	NIL (NIL)	NIL (26,105)
	Tours and Travelling Expenses	9,549 (40,502)	NIL (NIL)	9,549 (40,502)
	Payment of professional charges	NIL (NIL)	25,000 (6,000)	25,000 (6,000)
	Payment of remuneration, bonus & perquisites	NIL (NIL)	1,893,567 (1,755,976)	1,893,567 (1,755,976)
	Balances outstanding at the end of the year	Associates	KMP/ Relative of KMP	Total
	Trade receivables	NIL (NIL)	NIL (NIL)	NIL (NIL)
	Trade payables	NIL (NIL)	NIL (NIL)	NIL (NIL)
	Other current liabilities (director Remuneration, Bonus & Perquisites)	(NIL)	317,390	317,390
		(NIL)	(384,990)	(384,990)
	Note: Figures in bracket relates to the previous year			
40	Impairment of Assets There has been no impairment of assets on the balance sheet date.			



KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
41	Earnings Per Share Basic & Diluted		
	Net profit for the year attributable to the equity shareholders	(399,685)	743,612
	Weighted average number of equity shares	240,000	240,000
	Par value per share	10	10
	Earnings per share - Basic & Diluted	-1.67	3.10

Note	Particulars	As at 31 March, 2014	As at 31 March, 2013
		₹	₹
42	Deferred Tax (Liability) / Asset		
	<u>Tax effect of items constituting deferred tax liabilities</u>		
	On difference between book balance and tax balance of fixed assets	(63,029)	(61,717)
		(63,029)	(61,717)
	<u>Tax effect of items constituting deferred tax assets</u>		
	On difference between book balance and tax balance of fixed assets	-	-
	Provision for gratuity	367,828	327,464
	Provision for leave salary	5,578	4,994
	Disallowances under Section 43B of the Income Tax Act, 1961	137,279	107,644
		510,684	440,102
	Net deferred tax (liability) / asset	447,655	378,384

Note	
43	Previous year's figures have been regrouped / reclassified to the extent necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached

For CHHAJED & DOSHI
Chartered Accountants
[Firm Ref. No. 101794 W]

CA Aruna.D.Dhanesha
Partner
Membership No:107863
Place : Mumbai
Date :24th May 2014



**For and on behalf of the Board of Directors of
KUSAM ELECTRICAL INDUSTRIES LIMITED**

Chandmal
CHANDMAL P. GOLIYA
Wholetime Director

[Signature]
Director

ATTENDANCE SLIP

(To be presented at the entrance)

31st ANNUAL GENERAL MEETING ON Friday, 26 September, 2014 at 2.30 P.M.
At G-17, Bharat Industrial Estate, T.J. Road , Sewree (W) Mumbai-400015.

Folio No. _____ DP. ID NO. _____ Client ID _____

Name of the Member _____ Signature _____

Name of Proxy Holder _____ Signature _____

1. Only Member/ Proxy holder can attend the Meeting.
2. Member / Proxy holder should bring his/ her copy of the Annual Report for reference at the Meeting .

PROXY FORM

Form No. MGT-11

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

CIN : L31909MH1983PLC220457
Name of the company : KUSAM ELECTRICAL INDUSTRIES LTD
Registered office : G-17, Bharat Industrial Estate, T.J. Road, Sewree (W), Mumbai- 400 015.

Name of the member (s) : _____
Registered address : _____
E-mail Id : _____
Folio No/ Client Id : _____
DP ID : _____

I/We, being the member(s) of shares of the above named company, hereby appoint:

- (1) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or falling him
- (2) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or falling him
- (3) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or falling him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty First Annual General Meeting of the company, to be held on the Friday of 26th September at 2:30 p.m. at G-17, Bharat Industrial Estate, T. J. Road, Sewree (W), Mumbai 400 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

- Adoption of Financial Statements for the year ended 31st March, 2014 and the Directors' and Auditors' Reports thereon.
- Re-appointment of Shri Jhanwarlal Bhanwarlal Sipani, who retires by rotation
- Appointment of M/s. Chhajed & Doshi, Chartered Accountants, as Auditors and fixing their remuneration.

Special Business

- Appointment of Shri Dinesh Chandra Mohanlal Babel as an Independent Director.
- Appointment of Shri Amar Kalyanmal Bafna as an Independent Director.

Signed this _____ day of _____ 2014

Affix
revenue
stamp
of Rs. 1

Signature of shareholder

Signature of proxy holder(s)

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.
- Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

BALLOT FORM (In lieu of E-voting)

1. Name
Registered Address:
of the sole/first named Shareholder
2. Name (s) of the Joint Shareholder (s) if any:
3. Registered Folio/DPID & Client ID No. :
4. No. of Shares held:

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of 31st Annual General Meeting of the Company dated 26 September 2014, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below.

Item No.	Description	No. of Equity shares	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1.	Adoption of Financial statements for the year ended 31 March 2014 and the Directors' and Auditors' Reports thereon			
2.	Re-appointment of Shri Jhanwarlal Bhanwarlal Sipani, who retires by rotation			
3.	Appointment of M/s. Chhajed & Doshi, Chartered Accountants, as Auditors and fixing their remuneration.			
4.	Appointment of Shri Dinesh Chandra Mohanlal Babel as an Independent Director.			
5.	Appointment of Shri Amar Kalyanmal Bafna as an Independent Director.			

Place: _____

Date: _____

Signature of Shareholder

NOTE: Kindly read the instructions printed overleaf before filling the form. Valid Ballot Forms received by the Scrutinizer by 5.00 p.m. on 20th September 2014 shall only be considered.