



KUSAM ELECTRICAL INDUSTRIES
LIMITED



32ND ANNUAL REPORT
(2014-2015)



Mr. Chandmal P. Goliya
Whole Time Director

MISSION

KUSAM-MECO is committed to provide quality products and after sales services that meet customer's requirements and enhance their satisfaction through continual improvements. This shall be achieved through effective application of quality management system.

VISION

The vision of our Company is to be the one single source for all high quality and reliable Test and Measuring Instrument required by the Customer.

CORPORATE INFORMATION**❖ BOARD OF DIRECTORS:**

- Mr. Chandmal Goliya – Whole time Director
- Mr. Navrattanmal Goliya – Non- Executive Director (up to 01/08/2015)
- Mr. J B. Sipani – Non- Executive Director
- Mr. Amar Bafna - Independent Director (up to 01/08/2015)
- Mr. D. C. Babel - Independent Director (up to 01/08/2015)
- Ms. Sushma Ranka – Additional Director (w.e.f. 13/02/2015)

❖ Chief Financial Officer:

Mr. Naval Jha

❖ Company Secretary:

Ms. Kunjal Singh

❖ INDEPENDENT AUDITORS:**M/s. Chhajed & Doshi**

(Chartered Accountants)
Andheri (E), 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

➤ CORPORATE OFFICE:

Shop No. 18, 1st Floor,
CIDCO Shopping Complex,
Plot No. 9, Sector 7,
Rajiv Gandhi Marg,
Sanpada, Navi Mumbai- 400705.

❖ LISTED IN STOCK EXCHANGES:

Bombay Stock Exchange, Mumbai

CONTENTS

➤ **Notice of Annual General Meeting**

➤ **Directors' Report**

Annexure I- Particulars of Annual Return (MGT 9)

Annexure II- Particulars of Employees

Annexure III – Secretarial Audit Report for the year ended March 31, 2015

➤ **Independent Auditors' Report**

➤ **Balance Sheet**

➤ **Statement of Profit & Loss A/c**

➤ **Cash Flow Statements**

➤ **Notes to financial statements**

➤ **Attendance Slip & Proxy Form**

➤ **Postal Ballot Form**



Kusam Electrical Industries Ltd.

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

Tel. Sales Direct Line : (022) 24156638
Tel. : (022) 24181649, 24124540,
Fax : (022) 24149659
CIN NO. : L31909MH1983PLC220457

E-mail : kusam_meco@vsnl.net,
Website : www.kusamelectrical.com
Website : www.kusam-meco.co.in



NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of Kusam Electrical Industries Ltd will be held on Saturday, 26th day of September, 2015 at 11:00 am at Registered office, G-17, Bharat Industrial Estate, T.J Road, Sewree- West, Mumbai- 400 015 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss Cash Flow Statement of the Company for the year ended 31st March 2015 and the Balance Sheet as at 31st March 2015 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Chandmal Goliya (holding DIN: 00167842) who retires by rotation and being eligible offers himself for reappointment.
3. To ratify appointment of Statutory Auditors to hold office from conclusion of this Meeting until the Conclusion of Thirty- Third Annual General meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To Appoint Mrs. Sushma Ranka (DIN: 07038286) as an Independent Director

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of section 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Companies (Appointment and Qualification of Directors) Rules, 2014, Mrs. Sushma Ranka (**DIN: 07038286**), who was appointed as an Additional Director of the Company w.e.f. 13th February , 2015 by the Board of Directors and who holds office up to the date of this Annual General Meeting pursuant to Section 161 (1) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Sushma Ranka as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent director of the Company, not liable to retire by rotation and to hold office for five consecutive years for a term up to the conclusion of the 37th Annual General Meeting of the Company in the Calendar Year 2020.”

5. Re-Appointment of Shri Chandmal Goliya (DIN: 00167842), Whole Time Director for a Period of 3 years w.e.f 1st October, 2015 and Fixation of his Remuneration:

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution.

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the members be

and is hereby accorded to re-appoint Shri Chandmal Goliya (**DIN: 00167842**) as Whole-time Director of the Company for a period of three years with effect from 1st October, 2015 at a remuneration in the scale of Rs 150,000 /- 10,000/--180,000/- per month with all other perquisites / benefits as are applicable to other Senior Members of the Staff and shall be valued as per applicable Income Tax Act and Rules

RESOLVED FURTHER THAT in the absence of profits or inadequacy of profits in any financial year, remuneration paid as indicated in Schedule V –Section II- Part- II of Companies Act 2013.

Registered Office:

Kusam Electrical Industries Ltd
G-17, Bharat Industrial Estate,
T. J Road, Sewree- West,
Mumbai- 400 015.

Date: 14th August 2015

By Order of the Board
For, **Kusam Electrical Industries Ltd.**

Sd/-
Kunjal Singh
Company Secretary

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. 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 2014-15 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-400072.

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 32nd Annual General Meeting of the Company dated on 26th September, 2015 (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, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, 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 Wednesday, 23rd September, 2015 and ends at 5.00 p.m. (Ending Time) on Friday, 25th September, 2015. During this period Shareholders' of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date 19th September, 2015, 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 cast 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	<p>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.</p>
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. 19/09/2015 in the Dividend Bank details field.

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 Friday, 25th September, 2015.

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 Friday, 25th September, 2015.

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 19th September, 2015

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.kusamelectrical.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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 4 and 5 of the accompanying Notice dated 14th August 2015.

ITEM NO. 4

Mrs. Sushma Ranka (DIN: 07038286), 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 Mrs. Sushma Ranka (DIN: 07038286) 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 37th Annual General Meeting of the company.

Mrs. Sushma Ranka (DIN: 07038286) is Bachelor of Commerce. She 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 Mrs. Sushma Ranka (DIN: 07038286) for the office of Director of the Company.

The Company has also received declaration from Mrs. Sushma Ranka (DIN: 07038286) that she meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Mrs. Sushma Ranka (DIN: 07038286) fulfills the conditions for appointment as Independent Directors as specified in the Act. Mrs. Sushma Ranka (DIN: 07038286) is independent of the management of the Company.

Mrs. Sushma Ranka (DIN: 07038286) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director.

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

Mrs. Sushma Ranka (DIN: 07038286) is interested in the resolution since it pertains to her 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 Chandmal Goliya, aged 70 years, is a Whole-time Director of the Company and having over 45 years of industry experience in the field of the Company is carrying on. His current term of appointment as a Whole-time Director of the Company will expire 30th September, 2015. He has excellent grasp and thorough knowledge and experience of engineering. His knowledge of various aspects relating to

the Company's affairs and long business experience, the Board of Directors is of the considered opinion that for smooth and efficient running of the business, the services of Shri Chandmal Goliya should be available to the Company for a further period of three years with effect from September 01, 2015. In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on 29th May, 2015, re-appointed him as Whole-time Director of the Company for a further period of three years with effect from September 01, 2015 on the current remuneration of Rs 150,000 per month. In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

Following are the details of the salary (payable monthly) proposed to be paid to Shri Chandmal Goliya Whole-time Director: - Basic Salary Rs. 150,000/- per month

In addition to the above, he shall be entitled to receive the following: -

1. Medical Expenses Reimbursement: Reimbursement of medical expenses incurred on him and his family.
2. Leave Travel Allowance: For him and his family once in a year in accordance with the Rules of the Company for the time being in force.
3. Bonus as per the Rules of the Company.
4. Medical and Accident Insurance: For him and his spouse
5. Gratuity: Gratuity shall be as per the Company Rules.
6. Leave Entitlement & Encashment: Leave entitlement shall be as per Company Rules. He shall be permitted to encash unavailed leave.
7. Conveyance: Provision of car for Company's business.
8. Telephone: Reimbursement of expenses incurred on telephone at residence and cell phones.

Accordingly the Board recommends the passing of the Special resolution as set out in the item no. 5 of the Notice.

For, Kusam Electrical Industries Ltd.

Sd/-

Kunjal singh
Company Secretary

Registered Office:

Kusam Electrical Industries Ltd,
G-17, Bharat Industrial Estate,
T. J Road, Sewree – West,
Mumbai- 400 015.

DATE: 14th August 2015

DIRECTORS REPORT

To,

The Members,

Your Directors have pleasure in presenting their Thirty Second Annual Report on the business and operations of your Company along with the audited Financial Statements for the Financial Year ended March 31, 2015. The Statement of Accounts, Auditors' Report, Board's Report and attachment thereto have been prepared in accordance with the provisions contained in Section 134 of Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014

1. Financial Results

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

Particulars	2014-2015 (In Rs.)	2013-14 (In Rs.)
Gross Income	42,200,235	37,198,473
Profit Before Interest and Depreciation	2,907,494	1,001,288
Interest	97,144	385,559
Provision for Depreciation	754,783	974,586
Net Profit Before Exceptional & Extraordinary items & Tax	2,055,567	(351,559)
Exceptional Items	-	(7,298)
Profit Before Tax	2,055,567	(358,858)
Provision for Tax	700,000	110,000
Net Profit After Tax	1,293,235	(399,685)
Earnings Per Share- Diluted	5.39	-1.67

2. Outlook

The company is taking all efforts to get more orders at competitive rates. Due to bulk orders and bargaining 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.

3. Dividend

Your Directors do not recommend any dividend for this year to consolidate the resources.

4. Directors and Key Managerial Personnel

Mr. Chandmal Parasmal Goliya (DIN: 00167842), Director retires by rotation and being eligible and not being disqualified under section 164 of the Companies Act, 2013, offers himself for re-appointment.

Mr. Navrattanmal Goliya, Mr. Dinesh Chandra Babel and Mr. Amar Bafna resigned as Director from the Board of your Company with effect from 01st August, 2015. The Board places on record its deep appreciation for the services rendered by Mr. Navrattanmal Goliya, Mr. Dinesh Chandra Babel and Mr. Amar Bafna during their tenure as Members of the Board and Committees.

During the year, Mrs. Sushma Ranka (DIN: 07038286) was appointed as an Additional Director (Independent) with effect from 13th February, 2015. As an Additional Director Mrs. Sushma Ranka holds office up to the date of the ensuing Annual General Meeting and being eligible, offers herself for appointment as an Independent Director afresh.

Notice pursuant to Section 160 of the Act has been received from a member along with the requisite deposit proposing the candidature of Mrs. Sushma Ranka for her appointment as an Independent Director at the next Annual General Meeting. The Board recommends for her appointment.

Mr. Naval Jha, was appointed as Key Managerial Personnel as Chief Financial Officer of the company on 19th August 2014. Ms. Kunjal Singh was appointed as Key Managerial Personnel designated as Company Secretary of the company with effect from 2nd September, 2014.

5. Particulars of Employees

The prescribed particulars of Employees required under section 134 (3)(q) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure II and forms part of this report of the Directors.

There are no employees of your company who comes within the purview of Section 134 (3)(q) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year under review.

6. Board & Committee Meetings

a) Board Meeting:

During the financial year 2014-15, total Five (5) Board Meetings were held on 24th May 2014, 12th August, 2014, 2nd September 2014, 14th November 2014 and 13th February 2015. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

b) Audit Committee Meeting:

During the Financial Year 2014-15, Audit Committee constituted on 12th August 2014 thereafter, total Three (3) Audit Committee Meetings were held on 19th August 2014, 14th November 2014 and 13th February 2015.

c) Nomination & Remuneration & Compensation Committee Meeting:

Nomination & Remuneration & Committee constituted on 12th August 2014. During the financial year 2014-15 no meetings were held.

7. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an Annual Performance Evaluation of its own performance, the directors individually as well as the Evaluation of the working of its various committees.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the company. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the directors being evaluated. The Performance Evaluation of the Chairman and Non Independent Directors was carried out by the Independent Directors at their separate meeting.

8. Declaration by an Independent Director(s) and re- appointment, if any

Independent Directors have given declarations that they meet the criteria of independence as provided under section 149 (6) of the Companies At, 2013.

9. Policy on Directors Appointment & Remuneration

Details of Nomination and Remuneration Policy, pursuant to Section 178 (4) of the Companies Act, can be accessed by clicking on the web link: <http://www.kusamelectrical.com/Remuneration-Policy.pdf>

Details of Familiarisation Programme for Independent Directors and criteria for making payment to Non- Executive Directors can be accessed by clicking on the web link: <http://www.kusamelectrical.com/Directors-Familiarisation-Programme.pdf>

10. Auditors:

(i) **Statutory Auditors:**

The Statutory Auditors of your Company namely, M/s Chhajer & Doshi, Chartered Accountants, Mumbai (Firm Registration No. 101794W) have been appointed for a period of three years at the previous Annual General Meeting held on 26th September, 2014. The appointment is required to be ratified by the shareholders at this Annual General Meeting to conduct the audit for the Financial Year 2015-2016. Auditors have confirmed their eligibility and submitted the Certificate in writing that their appointment, if ratified, would be within the prescribed limit under the Act and they are not disqualified for re-appointment.

The observations made by the Statutory Auditors in their report are self explanatory and needs no further explanation.

(ii) **Secretarial Auditor:**

The Board has appointed M/s S. K Jain & Co., Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2014-2015. The Report of the Secretarial Audit Report (MR-2) is annexed herewith as “Annexure II.

The observations made by the Secretarial Auditor in their report are self explanatory and needs no further explanation

11. Internal Controls

Your company has in place adequate internal control systems commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management procedures are designed to ensure sound management of your Company’s operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Clearly defined roles and responsibilities have been institutionalised. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your company’s operations.

12. Vigil Mechanism / Whistle Blower Policy :

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, the Company have a Vigil Mechanism Policy for directors and employees to deal with an instance of fraud or mismanagement, if any. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://www.kusamelectrical.com/pdf/Whistle-Blower-policy.pdf>

13. Risk Management Policy

The Board of Directors has put in place a Risk Management policy for the company, which includes business risks, markets risks, event risks and IT / Financial/ Interest rate/ liquidity, risks and the structure , infrastructure, processes, awareness and risk assessment / minimization procedures. The elements of the risk, which in severe form can threaten Company’s existence, have been identified by the Board of Directors. Details of the Risk management Policy have been uploaded on the website of the Company at <http://www.kusamelectrical.com/Risk-Management-Policy.pdf>

14. Extract of Annual Return:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return of your Company for the financial year ended 31st March, 2015 is given in **MGT 9** as a part of this Annual Report as **ANNEXURE I**.

15. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

The Bombay Stock Exchange has charged revocation fees of Rupees 32 Lacs plus Service Tax @ 14% for resumption of trading in shares of the company which is payable in seven installments vide bill no. PRFNPPXX1677656 dated 11/06/2015 the company has issued post dated cheques of Rs. 08 lacs towards first installment and balance six post dated cheques of Rs. 04 lacs each.

16. Particulars of loans, guarantees or investments

The Company has not given any loan during the year. The details of Guarantees, Investments and Securities are covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes No. 8 and 13 to Financial Statements.

17. Related parties Transactions:

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. Hence, the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC-2 is not required. However, the details have been furnished in the Notes No. 39 to the financial statement. All Related Party Transactions are placed before the Audit Committee as also to the Board for approval at every quarterly meeting.

Details of policy for dealing with related party transactions can be accessed by clicking on the web link: <http://www.kusamelectrical.com/Related-party-transaction-policy.pdf>

18. Corporate Governance Certificate

The corporate Governance guidelines not applicable to your company for year ended 31st March, 2015 as per the Circular No. CIR/CFD/POLICY CELL/7/2014 of SEBI dated 15th September, 2014.

19. General Disclosures

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
2. The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
3. The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
4. During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.
5. No orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

20. Obligation of Company Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has set up an Internal Complaints Committee (ICC) for providing a Redressal mechanism pertaining to Sexual harassment of women employees at workplace. There was no complaint received during the year under review.

21. (a) Conservation of energy, technology absorption

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

(b) Foreign exchange earnings and Outgo

During the year, under review the Company has earned foreign exchange of Rs. 297,268/- on account of export sale and outgo of foreign exchange during the year was Rs. 18,131,934/- for imports and Rs. 3,42,000 for travelling.

22. Directors' Responsibility Statement

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:-

- (a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) such accounting policies as mentioned in Note 2 of the Annual accounts have been applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31st March 2015 and of the profit and loss of the company for that period.
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) the annual accounts for the year ended 31st March 2015 have been prepared on a going concern basis.
- (e) the internal financial controls followed by the company are adequate and operating effectively.
- (f) proper systems to ensure compliance with the provisions of all applicable laws are devised and are adequate and operating effectively.

23. Listing with Stock Exchanges:

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed.

24. Acknowledgements

Your Directors wish to thank Bankers, Government authorities and various stakeholders, such as, shareholders, customers and suppliers, among others for their support and valuable guidance to the Company. Your Directors also wish to place on record their appreciation for the committed services of all the Employees of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 14/08/2015

Sd/-
Chandmal P. Goliya
Whole time Director

ANNEXURE I

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

For the Financial Year Ended on 31.03.2014

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L31909MH1983PLC220457
2.	Registration Date	25 TH MAY 1983
3.	Name of the Company	KUSAM ELECTRICAL INDUSTRIES LIMITED
4.	Category/Sub-category of the Company	PUBLIC COMPANY / LIMITED BY SHARES
5.	Address of the Registered office & contact details	G-17, BHARAT INDUSTRIAL ESTATE, T. J. ROAD, SEWREE- WEST, MUMBAI- 400 015. PH: (022) 24181649, 24124540 FAX : (022) 24149659
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Registrar and Transfer Agents Satellite Corporate Services Pvt. Ltd. B-302, Sony Apartment, Opp. St Jude High School, 90 Ft Road Jarimari, Sakinaka , Mumbai Pin: 400072 Tel: 022-28520461 Fax: 28511809 Service@Satellitecorporate.Com Contact Person: Mr. Michael Monteiro

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Assembly and Sale of Meters, Instruments & Accessories	33125	98%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATES COMPANIES

Not applicable as there is no subsidiary and associate company.

**VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	150300	150300	62.63	30050	120250	150300	62.63	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	150300	150300	62.63	30050	120250	150300	62.63	0
B. Public Shareholding									
1. Institutions									-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian		33350	33350	13.90		33350	33350	13.90	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	10300	10300	4.29	-	10300	10300	4.29	-

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	46050	46050	19.19	-	46050	46050	19.19	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	89700	89700	37.38	-	89700	89700	37.38	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	89700	89700	37.38	-	89700	89700	37.38	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	240000	240000	100	-	240000	240000	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shree Abhay Kumar Goliya	20000	8.33	-	20000	8.33	-	-
2	Shree Chandmal Goliya	66300	27.63	-	66300	27.63	-	-
3	Shree Jhanwarlal Sipani	39500	16.46	-	39500	16.46	-	-
4	Shree Navrattanmal Goliya	13000	5.42	-	13000	5.42	-	-
5	Smt. Pramila Goliya	5000	2.08	-	5000	2.08	-	-
6	Smt. Premdevi Goliya	5000	2.08	-	5000	2.08	-	-
7	Smt. Saraswati Lodha	900	0.38	-	900	0.38	-	-
8	Shree Vijaymal Lodha	600	0.25	-	600	0.25	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	150300	62.63	150300	62.63
	Transaction (purchase / sale) during the year	-	-	150300	62.63
	At the end of the year			150300	62.63

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Nandita Goliya	27700	11.54	27700	11.54
2.	Kamal Goliya	18350	7.65	18350	7.65
3.	Suraj Instruments LLP	15000	6.25	15000	6.25
4.	Paras Electronics LLP	18350	7.65	18350	7.65
5.	Devilal Bapana	1000	0.42	1000	0.42
6.	Mahendra Kumar Harakhchand shah	1000	0.42	1000	0.42

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Chandmal P. Goliya, Whole- time Director	66300	27.63	66300	27.63
2.	Navrattanmal P. Goliya, Non-executive Director	13000	5.42	13000	5.42
3.	Jhanwar Lal Sipani, Non-executive Director	39500	16.46	39500	16.46
4.	Dinesh Chandra Babel, Independent Director	-	0.00	-	0.00
5.	Amar Bafana, Independent Director	-	0.00	-	0.00
6.	Sushma Ranka, Independent Women Director	-	0.00	-	0.00
7.	Naval Jha, KMP- CFO	-	0.00	-	0.00
8.	Kunjai Singh, KMP- CS	-	0.00	-	0.00

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount Motor Car Loan	592,770	0	0	592,770
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	592,770	0	0	592,770

Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction				
• Motor Car Loan	158,563	0	0	158,563
Net Change	158,563	0	0	158,563
Indebtedness at the end of the financial year				
i) Principal Amount				
• Motor Car Loan	434,207	0	0	434,207
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	434,207	0	0	434,207

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Chandmal P. Goliya - Whole Time Director	
		(in Rs. p.a)	(in Rs. p.a)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,13,050	20,13,050
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	40,758	40,758
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total	20,53,808	20,53,808

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		Dinesh Chandra Babel	Amar Bafana	Sushma Ranka	Jhanwarlal Sipnai	Navrattan mal Goliya	
1	Independent Directors						
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors						
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil	Nil

Commission	Nil	Nil	Nil	Nil	Nil	Nil
Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
Total (2)	Nil	Nil	Nil	Nil	Nil	Nil
Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil	Nil
Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil	Nil

C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		*Naval Jha- CFO (In Rs.)	*Kunjai singh - CS (In Rs)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	186,700	157,500	344,200
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity			
4	Commission			
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	186,700	157,500	344,200

* As Chief Financial Officer and Company Secretary appointed on 19th August 2014 and 02nd September 2014 respectively.

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no instances of any penalty/punishments/compounding of offences for the year ended 31-03-2015.

ANNEXURE – II

Statement of Particulars of employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirements of Rule 5(1)	Details
1.	the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;	Shri Chandmal Goliya- Whole-time Director (1201.06%)
2	the percentage increase in remuneration of each director, Chief financial officer, Company Secretary, if any, in the financial year;	Shri Chandmal Goliya- WTD- 8.46% CFO & CS of the Company were appointed on 19 th August 2014 and 02 nd September 2014 respectively.
3.	the percentage increase in the median remuneration of employees in the financial year;	10%
4.	the number of permanent employees on the rolls of the company	14
5.	the explanation on the relationship between average increase in remuneration and company performance;	Average increase in remuneration of all employees for the year 2014-2015 which is based on company's policy
6.	comparison of the remuneration of the key managerial personnel against the performance of the company;	CFO & CS of the Company were appointed on 19 th August 2014 and 02 nd September 2014 respectively and hence their remuneration cannot be compared to the yearly performance of the company.
7.	variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which company came out with last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at close of the current financial year and previous financial year	The shares of the Company are listed but not traded.
8	average percentile increase already made in salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any increase in the managerial remuneration;	Average percentile increase in the salary of the managerial as well as employees other than managerial personnel is 10% in line with company's policy.
10	the key parameters for any variable component of remuneration availed by the directors;	None
11.	The ratio of the remuneration of the highest paid director to that of employees who are not directors but receive remuneration in excess of the highest paid director during the year;	The Whole- time Director is the highest paid Director. No employee received remuneration higher than Whole-time Director
	Affirmation that the remuneration is as per the remuneration policy of the company	Remuneration paid during the year ended March 31, 2015 is as per the remuneration policy of the Company

ANNEXURE – III

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To,
The Members,
Kusam Electrical Industries Limited,
G/17, Bharat Industrial Estate,
T.J.Road, Sewri (W).
Mumbai- 400015.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by M/s Kusam Electrical Industries Limited (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on my verification of M/s Kusam Electrical Industries Limited’s Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Kusam Electrical Industries Limited, as given in “**Annexure I**”, for the financial year ended on 31st March, 2015, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder for specified Sections notified and came into effect from 12th September, 2013 and Sections and Rules notified and came into effect from 1st April, 2014;

(ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;

(iii) The Depositories Act, 1996 and Regulations and the Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings(ECB)

2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

iii. The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

3. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-

i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during Audit period as the Company has not made any further issue of the shares**);

ii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during Audit period as the Company has not introduced any such Scheme**);

iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during Audit period as the Company has not issued any Debt Securities**);

iv. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during Audit period as the Company has not delisted /propose to de-list any equity shares from any stock Exchange**);

v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during Audit period as the Company has not brought back / proposed to Buy back any Securities**);

4. There are no specific laws applicable to the Company.

5. I have relied on the Representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibly of the management. My examination was limited to the verification of procedure on test basis. The list of major head/groups of Acts, Laws and Regulations as generally applicable to the Company is given in "**Annexure II**".

6. In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditors of the company.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 1956; (Not notified and hence not applicable to the Company during Audit period) and

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- i. The Company has appointed Ms. Kunjal Singh (Membership No. A- 367022) under Section 203 of the Company Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014 as Company Secretary at the Meeting of Board of Directors held on 2nd September, 2014.
- ii. The Company has appointed Mr. Naval Jha under Section 203 of the Company Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014 as Chief Financial Officer at the Meeting of Board of Directors held on 19th August, 2014.
- iii. The Company has not complied with the provisions of clause 41(III) (b) of the Listing Agreement.
- iv. The Company also received the In –Principal Approval for revocation of suspension in Trading of Equity Shares from BSE dated July 15, 2014.

I further report that:

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year under report, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Mumbai
Date: 7th August, 2015

For, **S. K. Jain & Co.**

Sd/-
Dr. S.K.Jain
Proprietor
Company Secretary
FCS: 1473
COP: 3076

ANNEXURE – I

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum & Articles of Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors, Committee meetings held during the Financial Year under Report;
2. Minutes of General Body Meetings held during the Financial Year under report;
3. Maintenance of various Statutory Registers and Documents and making necessary entries therein;
4. Notice and Agenda papers submitted to all the Directors for the Board Meetings;
5. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
6. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under Report;
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report;
8. Appointment and remuneration of Internal and Statutory Auditor;
9. Closure of Register of Members/record date for dividends;

Place: Mumbai
Date: 7th August, 2015

For, **S. K. Jain & Co.**

Sd/-
Dr. S. K. Jain
Proprietor
Company Secretary
FCS: 1473
COP: 3076

ANNEXURE - II

Registered Office

**G/17, Bharat Industrial Estate,
T.J.Road, Sewri (W).
Mumbai- 400015.**

Corporate Office

**Shop No. 18, 1st Floor,
CIDCO Shopping complex,
Plot No.9, Sector 7,
Rajiv Gandhi Marg,
Sanpada, Navi Mumbai- 400705**

List of applicable laws to the Company

1. Payment of Bonus Act, 1956 and the rules made thereunder;
2. Payment of Gratuity Act, 1972 and the rules made thereunder;
3. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder;
4. Maternity Benefits Act, 1961 and the rules made thereunder;
5. Professional Tax Act, 1975
6. Standards of Weights and Measures Act, 1976;
7. Shops and Establishment Act, 1948;
8. Bombay Stamp Act, 1958;
9. Negotiable Instruments Act, 1881.

Place: Mumbai
Date: 7th August, 2015

For, **S. K. Jain & Co.**

Sd/-
Dr. S. K. Jain
Proprietor
Company Secretary
FCS: 1473
COP: 3076

To,
The Members,
Kusam Electrical Industries Limited

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

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

For, **S. K. Jain & Co.**

Sd/-
Dr. S. K. Jain
Proprietor
Company Secretary
FCS: 1473
COP: 3076

Place: Mumbai
Date: 7th August, 2015

CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

101, Hubtown Solaris, N. S. Phadke Marg,
Near East West Fly Over, Andheri (E) 400 069

INDEPENDENT AUDITOR'S REPORT

**TO
THE MEMBERS
KUSAM ELECTRICAL INDUSTRIES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **Kusam Electrical Industries Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the 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 Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the

CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

101, Hubtown Solaris, N. S. Phadke Marg,
Near East West Fly Over, Andheri (E) 400 069

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

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

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, 2015.
- (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

Attention is drawn to Note No 28 as regards to compliance of various conditions relating to revocation of suspension order as stipulated in the listing agreement.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

101, Hubtown Solaris, N. S. Phadke Marg,
Near East West Fly Over, Andheri (E) 400 069

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No 29.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Chhajed and Doshi
Chartered Accountants
[FRN 101794W]**

Sd/-

**Place: Mumbai
Date: 29th May 2015**

**CA. M. P. Chhajed
Partner
M. No. 049357**

CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

101, Hubtown Solaris, N. S. Phadke Marg,
Near East West Fly Over, Andheri (E) 400 069

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.
- 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 and no material discrepancies have been noticed on physical verification.
- iii. As informed to us, the Company has not granted nor taken any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Consequently, reporting under clause (iii) of paragraph 3 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. The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under. Therefore, the provisions of the aforesaid sections or any other relevant provision of the Act are not applicable to the Company.
- vi. Since the company is not a manufacturing company, hence provisions for maintenance of cost records under section 148(1) of the Companies Act, 2013 are not applicable to the company.

CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

101, Hubtown Solaris, N. S. Phadke Marg,
Near East West Fly Over, Andheri (E) 400 069

- vii. 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, Value Added Tax, Custom Duty, Wealth Tax, Excise Duty, Cess and Service Tax etc. which have not been deposited on account of any dispute

Name of the Statute	Nature of Dues and the period to which the amount relates	Amount (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	Assessment Dues F.Y. 2208-09 (A.Y. 2009-10)	7,65,419	Commissioner of Income Tax
Income Tax Act, 1961	Assessment Dues A.Y. 2010-11 (A.Y. 2009-10)	3,34,778	Commissioner of Income Tax
Maharashtra VAT Act, 2002	Assessment Dues F.Y. 2009-10	3,666	Commissioner of Income Tax
Maharashtra VAT Act, 2002	Assessment Dues F.Y. 2010-11	12,533	Commissioner of Income Tax

- c) There are no amounts pending transfer to the Investor education and protection fund.
- viii. The Company has not incurred any cash losses during the financial year under report and during the immediately preceding financial year.
- ix. 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.
- x. 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.
- xi. The Company has not obtained term loan during the year.
- xii. No fraud on or by the company has been noticed or reported during the year.

**For Chhajed and Doshi
Chartered Accountants
[FRN 101794W]**

**Sd/-
CA. M. P. Chhajed
Partner
M. No. 049357**

**Place: Mumbai
Date: 29th May 2015**

KUSAM ELECTRICAL INDUSTRIES LIMITED

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

CIN : L31909MH1983PLC220457

Statement of Assets and Liabilities as on 31st March, 2015

Particulars		Note No.	31 March, 2015	31 March, 2014
			₹	₹
A	EQUITY AND LIABILITIES			
	1 Shareholders' Funds			
	(a) Share Capital	3	2,400,000	2,400,000
	(b) Reserves and Surplus	4	15,092,783	13,799,550
			17,492,783	16,199,550
	2 Non-Current Liabilities			
	(a) Long-Term Borrowings	5	255,534	434,206
	(b) Other Long-Term Liabilities	6	365,000	370,000
	(c) Long-Term Provisions	7	172,828	97,114
			793,362	901,320
	3 Current Liabilities			
	(a) Short-Term Borrowings	8	-	1,836,435
	(b) Trade Payables	9	70,563	306,907
	(c) Other Current Liabilities	10	2,526,549	2,149,809
	(d) Short-Term Provisions	11	1,631,980	1,111,320
			4,229,092	5,404,471
	TOTAL		22,515,236	22,505,341
B	ASSETS			
	1 Non-Current Assets			
	(a) Fixed Assets			
	- Tangible Assets	12	7,114,639	7,447,226
	(b) Non-Current Investments	13	255	255
	(c) Deferred Tax Assets (net)	42	397,557	447,655
	(d) Long-Term Loans and Advances	14	287,019	582,436
	(e) Other Non-Current Assets		-	-
			7,799,471	8,477,572
	2 Current assets			
	(a) Current Investments		-	-
	(b) Inventories	15	9,265,342	11,032,878
	(c) Trade Receivables	16	1,198,474	2,047,029
	(d) Cash and Bank Balances	17	2,808,350	112,983
	(e) Short-Term Loans and Advances	18	1,439,605	715,380
	(f) Other Current Assets	19	3,996	119,499
			14,715,767	14,027,769
	TOTAL		22,515,236	22,505,341
	See accompanying notes forming part of the financial statements	1-44		

In terms of our report attached
For CHHAJED & DOSHI
Chartered Accountants
[Firm Ref. No. 101794 W]

sd/-
CA M. P. Chhajed
Partner
Membership No: 049357

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

sd/-
Chandmal P. Goliya
Whole Time Director

sd/-
Jhanwarlal. B. Sipani
Non- Executive Director

sd/-
Kunjai Singh
(Company Secretary)

Place : Mumbai
Date : 29/05/2015

KUSAM ELECTRICAL INDUSTRIES LIMITED

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

CIN : 31909MH1983PLC220457

Statement of Profit and Loss for the year ended 31st March, 2015

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2015	31 March, 2014
			₹	₹
INCOME:				
1	Revenue from Operations	20	42,009,378	37,046,268
2	Other Income	21	190,857	152,205
3	Total Revenue (1+2)		42,200,235	37,198,473
EXPENSES:				
	(a) Purchases of Stock-in-Trade	22	22,749,651	23,887,173
	(b) Changes in Inventories of Stock-in-Trade	23	1,267,686	(2,164,087)
	(c) Employee Benefits Expense	24	4,742,466	4,106,737
	(d) Finance Costs	25	97,144	385,559
	(e) Depreciation and Amortisation Expense	12	754,783	974,586
	(f) Other Expenses	26	10,532,938	10,360,064
	Total Expenses		40,144,668	37,550,031
5	Profit before exceptional and extraordinary items and tax (3 - 4)		2,055,567	(351,559)
6	Exceptional Items	27	-	(7,298)
7	Profit before extraordinary items and tax (5 ± 6)		2,055,567	(358,858)
8	Extraordinary Items		-	-
9	Profit Before Tax (7 ± 8)		2,055,567	(358,858)
10	Tax Expense:			
	(a) Tax Expense for Current Year		700,000	110,000
	(b) Tax Expense Relating to Prior Years		12,232	-
	(c) Deferred Tax	42	50,100	(69,171)
			762,332	40,829
11	Profit / (Loss) for the year		1,293,235	(399,686)
12	Earnings per share (of `10/- each) Basic and Diluted	41	5.39	-1.67
	See accompanying notes forming part of the financial statements	1-44		

In terms of our report attached

For CHHAJED & DOSHI

Chartered Accountants

[Firm Ref. No. 101794 W]

sd/-

CA M. P. Chhajed

Partner

Membership No: 049357

Place : Mumbai

Date : 29/05/2015

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

sd/-

Chandmal P. Goliya

Whole Time Director

sd/-

Jhanwarlal. B. Sipani

Non- Executive Director

sd/-

**Kunjai Singh
(Company Secretary)**

KUSAM ELECTRICAL INDUSTRIES LIMITED

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

CIN : 31909MH1983PLC220457

Cash Flow Statement for the year ended 31st March, 2015

Particulars	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		2,055,567		(358,856)
<i>Adjustments for:</i>				
Depreciation and amortisation	754,783		974,586	
Loss on sale / write off of assets	-		7,298	
Finance costs	97,144		385,559	
Interest income	(124,345)		(58,871)	
Net unrealised exchange (gain) / loss	(22,298)		(15,192)	
		705,284		1,293,380
Operating profit / (loss) before working capital changes		2,760,850		934,524
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	1,767,536		(2,528,521)	
Trade receivables	848,555		(544,761)	
Loans and advances	(724,225)		667,208	
Other Current Assets	115,503		598,558	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Other Liabilities and Provisions	352,585		127,987	
Trade payables	(236,344)		(259,855)	
		2,123,610		(1,939,384)
Net unrealised exchange (gain) / loss		22,298		15,192
Taxes Paid		(139,626)		100,766
Net cash flow from / (used in) operating activities (A)		5046384		(1,090,434)
B. Cash flow from investing activities				
Proceeds from sale of fixed assets			-	
Interest Income	124,345		58,871	
Capital expenditure on fixed assets	(422,196)		(701,209)	
Net cash flow from / (used in) investing activities (B)		(297,851)		(642,338)
C. Cash flow from financing activities				
Proceeds from other long-term borrowings (Net)	(178,672)		(158,563)	
Long-term loans and advances	60,485		(183,382)	
Finance cost	(97,144)		(385,559)	
Net cash flow from / (used in) financing activities (C)		(215,331)		(727,504)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		4,533,202		(2,460,276)
Cash and cash equivalents at the beginning of the year		(1,724,852)		735,424
Cash and cash equivalents at the end of the year		2,808,350		(1,724,852)
Reconciliation of Cash and cash equivalents with the Balance				
Cash and cash equivalents as per Balance Sheet (Refer Note 19)		2,808,350		(1,723,452)
Less: Bank balances not considered as Cash and cash equivalents		-		1,400
Net Cash and cash equivalents (as defined in AS 3 Cash Flow)		2,808,350		(1,724,852)
Add: Current investments considered as part of Cash and cash				
Cash and cash equivalents at the end of the year *		2,808,350		(1,724,852)

* Comprises:				
(a) Cash on hand	64,469		111,583	
(b) Balances with banks				
(i) In OCC a/c	2,693,424			
(ii) In current accounts	50,458		1,836,435	
(c) Current investments considered as part of Cash and cash				
		2,808,350		1,724,852

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 statements 1-44

As per our report of even date attached

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

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

sd/-
CA M. P. Chhajed
Partner
Membership No: 049357

sd/-
Chandmal P. Goliya
Wholetime Director

sd/-
Jhanwarlal. L. Sipani
Non Executive Director

sd/-
Kunjai Singh
(Company Secretary)

Place : Mumbai
Date : 29th May 2015

Notes forming part of the financial statements	
Note	Particulars
1	<p>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.</p>
2	<p>Significant accounting policies</p> <p>2.1 Basis of accounting and preparation of financial statements The financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the relevant provisions of the Companies Act 2013. The financial statements are 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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>2.7 Depreciation and amortisation Depreciation and Fixed Assets is provided to the extent of Depreciable amount on the Straight Line Method (SLM) based on the useful life of the assets as prescribed in Schedule II to the Companies Act 2013. Residual value of 5% is retained only for Land and Building and Vehicles.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>

Note	Particulars
2.13	<p>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.</p>
2.14	<p>Segment reporting The Company operates in single business segment of Electrical & Electronics Measuring Instruments, and in single reportable geographical segment in India.</p>
2.15	<p>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</p>
2.16	<p>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.</p>
2.17	<p>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.</p>
2.18	<p>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.</p>

KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 3 Share Capital

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	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, 2015				
- Number of shares	240,000	-	-	240,000
- Amount (Rs.)	2,400,000	-	-	2,400,000
Year ended 31 March, 2014				
- 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, 2013.
- (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, 2015		As at 31 March, 2014	
	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, 2015- **NIL** shares (As at 31 March, 2014 **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, 2015	As at 31 March, 2014
	₹	₹
(a) Surplus in Statement of Profit and Loss		
Opening Balance	13,799,549	14,199,234
Add: Profit for the year	1,293,234	(399,685)
Total	15,092,783	13,799,549

Note 5 long-term Borrowings

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
(a) Secured Loans		
(i) Motor Car Loan from HDFC Bank (Secured by Hypothecation of the Motor Car)	255,534	434,206
Total	255,534	434,206

Note 6 Other long-term liabilities

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
(a) Others:		
(i) Trade Deposits Received	365,000	370,000
Total	365,000	370,000

Note 7 Long-term provisions

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
(a) Provision for Employee benefits:		
(i) Provision for Gratuity	130,532	79,376
(ii) Provision for Leave Salary	42,296	17,738
Total	172,828	97,114

Note 8 Short-term borrowings

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
(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, 2015	As at 31 March, 2014
	₹	₹
<u>Loan Repayable on Demand from Banks:</u>		
Canara Bank Cash Credit * (Secured by Hypothecation of Inventory and Books Debts Guaranteed under Credit Gurantee Fund trust Scheme for Micro and Small Enterprises)	-	1,836,435
Total - From Banks	-	1,836,435

*The Company dose not have any continuing default in repayment of loan and interest as on the balance sheet date.

KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 9 Trade Payables

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Trade Payables	70,563	306,907
Total	70,563	306,907

Note 10 Other Current Liabilities

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
(a) Current Maturities of Long-term Debt (Secured by Hypothecation of the Motor Car)	178,672	158,563
(b) Other Payables		
(i) Statutory Remittances	332,465	248,985
(ii) Advances from Customers	192,375	108,459
(iii) Employee Related	502,590	273,014
(iv) Provision for Bonus	509,088	444,268
(v) Other Liabilities	23,224	-
(vi) Other Payables	788,135	916,519
Total	2,526,549	2,149,809

Note 11 Short-Term Provisions

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
(a) Provision for Employee Benefits:		
(i) Provision for Gratuity	1,015,637	1,111,007
(ii) Provision for Leave Salary	814	313
(b) Provision for Income Tax (Net)	615,529	
Total	1,631,980	1,111,320

Note 13 Non-Current Investments

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
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

Notes forming part of the financial statements

Note 14 Long-Term Loans and Advances

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Unsecured, considered good		
(a) Security Deposits	28,450	25,683
(b) Loans and Advances to Employees	258,569	321,821
(c) Advance Income Tax (Net of provisions)	-	234,932
Total	287,019	582,436

Note 15 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
(a) Stock-in-trade	8,864,122	10,131,809
(b) Consumable Stores and Spares	125,795	246,863
(c) Packing Material	275,425	654,206
Total	9,265,342	11,032,878

Note 16 Trade Receivables

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	24,247
Other Trade Receivables	1,198,474	2,022,782
Total	1,198,474	2,047,029

Note 17 Cash and Bank Balances

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
(a) Cash and Cash Equivalents		
(i) Cash on hand	64,469	111,583
(ii) Balances with Banks in Current Accounts	50,458	-
(ii) Debit balance in Canara bank OCC A/C	2,693,424	-
(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
Total	2,808,350	112,983

Note 18 Short-Term Loans and Advances

Particulars	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Unsecured, considered good		
(a) Security Deposits	-	-
(b) Loans and Advances to Employees	-	-
(c) Prepaid Expenses	131,458	161,811
(d) Advances Recoverable in Cash or kind	1,308,147	553,569
Total	1,439,605	715,380

KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 19 Other current assets

	Particulars	As at 31 March, 2015	As at 31 March, 2014
		₹	₹
(a)	Interest Accrued on Deposits	-	290
(b)	VAT Refund Receivable	3,996	23,119
(c)	SAD Refund Receivable	-	96,090
	Total	3,996	119,499

Note 20 Revenue from Operations

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		₹	₹
(a)	Sale of Traded goods @ (Refer Note (i) below)		
	Export Sales	297,268	287,193
	Inland Sales	41,023,349	36,504,730
		41,320,617	36,791,923
(b)	Other Operating Revenues (Refer Note (ii) below)	688,761	254,345
	Total	42,009,378	37,046,268
Note			
(i)	Sale of Products Comprises :		
	Traded Goods		
	Meters, Instruments & Accessories	41,320,617	36,791,923
		41,320,617	36,791,923
(ii)	Other Operating Revenues Comprise:		
	Calibration Charges	102,300	52,900
	Repairing Charges	586,461	201,445
	Total - Other Operating Revenues	688,761	254,345

Note 21 Other Income

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		₹	₹
(a)	Interest Income (Refer Note (i) below)	124,345	58,871
(b)	Net Gain on Foreign Currency Transactions and Translation	22,298	15,192
(c)	Other Non-Operating Income (Refer Note (ii) below)	44,214	78,142
	Total	190,857	152,205
Note			
(i)	Interest Income Comprises:		
	Interest from Banks on :		
	Fixed Deposits	80,927	19,965
	Other Deposits (Loans to Employees)	32,228	38,906
	Interest on Income Tax Refund	11,190	-
	Total - Interest Income	124,345	58,871
(ii)	Other Non-Operating Income Comprises:		
	Liabilities/Provisions no longer required written back	44,214	78,142
	Total - Other Non-Operating Income	44,214	78,142

KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 22 Purchase of Traded Goods

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	₹	₹
Purchase of Stock in trade (refer note (i) below)	22,749,651	23,887,173
	22,749,651	23,887,173
Note (i) Purchase of Stock in trade Meters, Instruments & Accessories	22,749,651	23,887,173
Total	22,749,651	23,887,173

Note 23 Changes in Inventories of Stock-in-trade

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	₹	₹
Inventories at the end of the year: Stock-in-trade (refer note (i) below)	8,864,122	10,131,809
Inventories at the beginning of the year: Stock-in-trade (refer note (ii) below)	10,131,809	7,967,722
Net (increase) / decrease	1,267,686	(2,164,087)
Note (i) Closing Stock in trade Meters, Instruments & Accessories	8,864,122	10,131,809
Total	8,864,122	10,131,809
Note (ii) Opening Stock in trade Meters, Instruments & Accessories	10,131,809	7,967,722
Total	10,131,809	7,967,722

Note 24 Employee Benefits Expense

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	₹	₹
Salaries and Wages	4,371,340	3,634,311
Contributions to Gratuity Fund	-	190,775
Staff Welfare Expenses	371,126	281,651
Total	4,742,466	4,106,737

Note 25 Finance Costs

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	₹	₹
(a) Interest Expense on:		
(i) Borrowings	14,323	261,775
(ii) Term Loan	62,597	80,442
(b) Other Borrowing Costs	1348	1,348
(c) OCC Renewal Charges	18876	41,994
Total	97,144	385,559

KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

Note 26 Other Expenses

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	₹	₹
Consumption of Stores and Spare Parts	903,020	605,132
Consumption of Packing Materials	2,139,647	1,559,977
Electricity Charges	217,803	216,722
Repairs and Maintenance - Buildings	94,048	27,056
Repairs and Maintenance - Machinery	70,984	17,507
Repairs and Maintenance - Others	219,985	174,308
Insurance	49,899	43,554
Rates and Taxes	500,927	99,478
Travelling and Conveyance	1,100,034	1,094,459
Printing and Stationery	805,931	1,445,353
Sales Commission	-	-
Vehicle Expense	349,983	306,335
Legal & Professional Charges	227,582	762,768
Freight & Forwarding	503,542	422,000
Communication Expense	105,109	128,562
Advertisement Expenses	672,140	952,233
Exhibition Expenses	84,203	308,261
Donations and Contributions	54,000	503,500
Postage & Courier Charges	236,406	184,511
Payments to Auditors (Refer Note (i) below)	711,535	382,313
Rebates and Discounts	578,257	-
Miscellaneous Expenses	907,903	1,126,036
Total	10,532,938	10,360,065

Notes:

(i) Payments to the Auditors Comprises :

As Auditors - Statutory Audit	131,250	130,000
For Tax Audit Fee	78,750	75,000
For VAT Audit	52,500	40,000
For Taxation Matters	80,000	49,680
Certification Fees		45,577
Service Tax	80,188	42,056
Others	288,847	-
Total	711,535	382,313

Note 27 Exceptional Item

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	₹	₹
Loss on Sale/Discard of Fixed Assets	0	(7,298)
	0	(7,298)

KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of 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 is in the process of complying with the requirements of Bombay Stock Exchange. Costs relating to revocation of suspension order is under negotiation, hence will be accounted for as and when finally agreed upon.			
29	Particulars	As at 31st March, 2015	As at 31st March, 2014	
	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)	NIL	1390	
	Letters of Credit against FDR of Rs NIL (P.Y.- Nil)	NIL	NIL	
	(c) Demand from Bombay Stock exchange for Various Non compliances	3,648,000	2,340,450	
	(c) Disputed Demands in Appeals			
	Sales Tax Department For F.Y. 2009-10	3,666	-	
	Sales Tax Department For F.Y. 2010-11	12,533	-	
	Income Tax Department For A.Y. 2009-10	765,419	-	
	Income Tax Department For A.Y. 2010-11	334,778	-	
30	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006			
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	The company does not have the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been made.	
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil		
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil		
	(iv) The amount of interest due and payable for the year	Nil		
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil		
	(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	Nil		
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 31st March, 2015		As at 31st March, 2014	
	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency
	₹	\$	₹	\$
	673071	\$10,703	474,672	\$7,865
	340207	\$5,410	(130,640)	\$2,180

KUSAM ELECTRICAL INDUSTRIES LIMITED
Notes forming part of the financial statements

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.		
34	Value of Imports Calculated on CIF Basis:	As at 31st March, 2015	As at 31st March, 2014
		₹	₹
	Trading Goods (Meters, Instruments & Accessories)	18131934	18,901,132
35	Expenditure in Foreign Currency :		
	Travelling Expense	342000	638,298
36	Earnings in Foreign Exchange:		
	Export of Goods Calculated on FOB Basis	297,268	287,193

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				
	Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014	Year ended 31 March, 2015	Year ended 31 March, 2014
		Gratuity ₹	Gratuity ₹	Leave Salary ₹	Leave Salary ₹
37.2	Components of employer expense				
	Current service cost	108,722	110,924	19,920	7,239
	Interest cost	107,134	90,079	1,625	1,374
	Expected return on plan assets	0	0	0	0
	Actuarial losses/(gains)	(260,070)	(10,228)	3,514	(6,725)
	Total expense recognised in the Statement of Profit and Loss	(44,214)	190,775	25,059	1,888
37.3	Actual contribution and benefit payments for year				
	Actual benefit payments	0	(60,147)	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	1,146,169	1,190,383	43,110	18,051
	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	1,146,169	1,190,383	43,110	18,051
	* Being Surplus, as a prudence not recognised in the books				
37.5	Change in defined benefit obligations (DBO) during the year				
	Present value of DBO at beginning of the year	1,190,383	1,059,755	18,051	#REF!
	Current service cost	108,722	110,924	19,920	7,239
	Interest cost	107,134	90,079	1,625	1,374
	Actuarial (gains) / losses	(260,070)	(10,228)	3,514	(6,725)
	Benefits paid	0	(60,147)	NIL	NIL
	Present value of DBO at the end of the year	1146169	1,190,383	43,110	18,051
37.6	Actuarial assumptions				
	Discount rate	8.00%	9.00%	9.00%	9.00%
	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)	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
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.				

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 Electrical Instruments LLP 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	Smt. Neha Goliya (Daughter-in-law of Director)		
	Note: Related parties have been identified by the Management.			
39.2	Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:			
	Nature of Transaction	Associates	KMP/ Relative of KMP	Total
	Purchase of goods	65,586 (280,421)	NIL (NIL)	65,586 (280,421)
	Sale of goods	1,050 (29,278)	NIL (NIL)	1,050 (29,278)
	Payment of rent, rates and taxes	NIL (NIL)	NIL (NIL)	NIL (NIL)
	Tours and Travelling Expenses	9,236 (9,549)	NIL (NIL)	9,236 (9,549)
	Payment of professional charges	NIL (NIL)	30,000 (25,000)	30,000 (25,000)
	Payment of remuneration, bonus & perquisites	NIL (NIL)	2,051,811 (1,893,567)	2,051,811 (1,893,567)
	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)	669,270	669,270
		(NIL)	(317,390)	(317,390)
	Note: Figures in bracket relates to the previous year			

Note 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, 2015	For the year ended 31 March, 2014
		₹	₹
41	Earnings Per Share		
	Basic & Diluted		
	Net profit for the year attributable to the equity shareholders	1,293,235	(399,684)
	Weighted average number of equity shares	240000	240,000
	Par value per share	10	10
	Earnings per share - Basic & Diluted	5.39	-1.67

Note	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		₹	₹
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	(127,239)	(63,029)
		(127,239)	(63,029)
	<u>Tax effect of items constituting deferred tax assets</u>		
	On difference between book balance and tax balance of fixed assets		-
	Provision for gratuity	354166	367,828
	Provision for leave salary	13321	5,578
	Disallowances under Section 43B of the Income Tax Act, 1961	157308	137,279
		524,795	510,684
	Net deferred tax (liability) / asset	397,557	447,655

Note			
43	Pursuant to the enactment of the Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised remaining useful lives. The written down value of the fixed assets whose lives have expired as at 1st April 2014, have been debited in the Profit and Loss account amounting to Rs 21349/-		
Note			
44	Previous year's figures have been regrouped / reclassified to the extent necessary to correspond with the current year's classification/disclosure.		

In terms of our report attached

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

sd/-
CA M. P. Chhajed
Partner
Membership No: 049357

Place : Mumbai
Date : 29/05/2015

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

sd/-
Chandmal P. Goliya
Whole Time Director

sd/-
Jhanwarlal. B. Sipani
Non- Executive Director

sd/-
Kunjai Singh
(Company Secretary)

Form No. MGT-11**Proxy form**

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

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

I/We, being the member(s) of _____ shares of the above named company. Hereby appoint

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the company, to be held on the Saturday of 26th September 2015 at 11.00 a.m. at Registered office, G-17, Bharat Industrial Estate, T.J Road, Sewree- West, Mumbai- 400 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote	
		For	Against
Ordinary Business			
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2015		
2.	Re-appointment of Mr. Chandmal Goliya, who retires by rotation		
3.	Re-appointment of M/s. Chhajer & Doshi, Chartered Accountants as Statutory Auditors & fixing their remuneration		
Special Business			
4.	To appoint Mrs. Sushma Ranka as an Independent Director		
5.	To Re-appointment of Shri Chandmal Goliya , Wholetime Director		

Signed this _____ day of September, 2015.

Signature of Shareholder Signature of Proxy holder

Affix
Revenue
Stamps

Note:

- 1) 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.
- 2) The proxy need not be a member of the company



AN ISO 9001:2008 COMPANY

KUSAM ELECTRICAL INDUSTRIES LTD.

G-17, Bharat Industrial Estate, T.J. Road, Sewree (W), Mumbai- 400016

Tel. No: 022-24181649, Website: www.kusamelectrical.com CIN NO. L31909MH1983PLC220457

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

32nd Annual General Meeting on Saturday, 26th September 2015

Full name of the members attending _____
(In block capitals)

Ledger Folio No./Client ID No. _____ No. of shares held: _____

Name of Proxy _____
(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 32nd Annual General Meeting of the Kusam Electrical Industries Ltd , G-17 , Bharat Industrial Estate, T. J Road, Sewree (West), Mumbai- 400 015, on Saturday of 26th September 2015 at 11.00 a.m.

(Member's /Proxy's Signature)

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.