




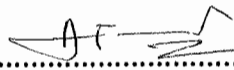
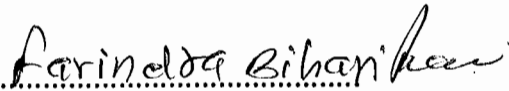
KSL

KRISHNA GROUP

CIN : L17119DN1983PLC000074

FORM A

Covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	KSL And industries Limited (Scrip Code – 530149)
2.	Annual financial statements for the year ended	31st March, 2014
3.	Type of Audit qualification	Un-qualified
4.	Frequency of observation	N. A.
5.	To be signed by- * CEO/Managing Director * Auditor of the company * Audit Committee Chairman	  



KSL AND INDUSTRIES LIMITED

KSL and Industries Limited



32nd Annual Report 2013-2014



KSL and Industries Limited

69-A, Dhanu Udyog Industrial Area, Piperia, Silvassa (U.T. of D. & N.H.) -396230

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KSL AND INDUSTRIES LIMITED ANNUAL REPORT 2013-2014

CIN : L17119DN1983PLC000074

BOARD OF DIRECTORS

Shri Deepak Mathur- Chariman
Shri Manoj Kumar Sharma- Managing Director
Shri Kailash Nath Bhandari
Shri Farindra Bihari Rai
Shri Trivedra Shambu Singh

COMPANY SECRETARY

Shri Ketan Trivedi

BANKERS

Various Banks with Lead Bank Allahabad Bank

AUDITORS

A. F. Khasgiwala & Co.
Chartered Accountants

REGISTERED OFFICE

Plot No.69A, Dhanu Udyog Industrial Area,
Piperia, Silvassa (Union Territory)-396 230

CORPORATE OFFICE

Raghuvanshi Mills Compound,
11/12, Senapati Bapat Marg,
Lower Parel (West),
Mumbai- 400 013

REGISTRAR & TRANSFER AGENT

Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai – 400 072.

PLANTS

Kalameshvar, Nagpur (Maharashtra)
Dombivali, Dist. Thane (Maharashtra)
Wada, Dist. Thane (Maharashtra)
Piperia, Silvassa (U.T.)

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ANNUAL GENERAL MEETING on Saturday 19th July, 2014, at 12:30 p.m., at 65,
Krishna Nagar, Samarvani, Silvassa, (Union Territory).

KSL AND INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of **KSL AND INDUSTRIES LIMITED** will be held on Saturday, 19th July, 2014 at 65, Krishna Nagar, Samarvani, Sivassa, (Union Territory) - 396230 at 12.30 p.m. to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Company's Audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the year ended on that date and Report of Directors and Auditors thereon.
2. To reappoint Auditor and to fix remuneration and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:-

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. A. F. Khasgiwala & Co., Chartered Accountants (Membership No. 006491, Firm Registration No. 105114W), be and are hereby re - appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirty - fifth Annual General Meeting of the Company to be held in the year 2017, subject to ratification of their appointment at every Annual General Meeting, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

3. To appoint Shri Deepak Mathur (holding DIN 02246715) as a Director, whose term of office expires at the Annual General Meeting and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED that Shri Deepak Mathur (holding DIN 02246715), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 10th August, 2013, in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and Article 115 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

4. To appoint Shri Trivedra Shambhu Singh (DIN: 05240052) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Trivedra Shambhu Singh (holding DIN 05240052), who was appointed as an Additional Director (designated as an Independent Director) of the Company by the Board of Directors with effect from 27th February, 2014, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Article 115 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years commencing from 19th July, 2014 to 18th July, 2019."

5. To appoint Shri Farindra Bihari Rai (holding DIN 00780521) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Farindra Bihari Rai (holding DIN 00780521), who was appointed as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years commencing from 19th July, 2014 to 18th July, 2019."

6. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

NOTES:-

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business is annexed hereto under item No. 3, 4, 5, 6 and forms an integral part of this Notice.
2. **A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON (WHETHER A SHAREHOLDER OR NOT) AS HIS/HER PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING AND SHALL BE ENTITLED TO VOTE ONLY UPON A POLL.**

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3. Members are requested to note that the Company's equity shares are under compulsory demat trading for all investors, subject to the provisions of SEBI Circular no. 21/99 dated July 8, 1999. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience.
4. The instrument(s) appointing the Proxy, if any, shall be delivered at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the Meeting and the instrument of proxy shall be treated as invalid in case of default.
5. The Register of Members and Share Transfer Register of the Company will remain closed from 17th July, 2014 to 19th July, 2014 (both days inclusive) to comply with Annual Book Closure requirements.
6. Members desiring any information on the Annual Accounts of the Company for the year ended 31st March, 2014 are requested to write to the Company at its Administrative Office Address at least 7 days in advance of the Annual General Meeting, so as to enable the Management to keep the information ready at the meeting.
7. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio. Members are requested to immediately notify any change in their registered address specifying full address with Pin Code Number and quoting their Registered Folio Number to the Company.
8. All documents and agreements referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 10:00 A.M and 1:00 P.M. up to the date of Annual General Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
10. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
11. Electronic copy of the Annual Report for 2014 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013 is being sent in the permitted mode.
12. Electronic copy of the Notice of the 32nd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 32nd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
13. In terms of the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility as an alternate to all its Members to enable them to exercise their right to vote by electronic means. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for providing e-voting facility to enable the shareholders to cast their votes electronically.

These e-voting instructions are being sent to you as your name appears in the Register of Members as on Monday, 23rd June, 2014, being the cut-off date/entitlement date, fixed by the Board of Directors of the Company to identify the Members who are entitled to receive the copies of the Notice of Thirty Second Annual General Meeting together with the Annual Report and to participate through e-voting.

The instructions for members for voting electronically are as under:- In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "KSL AND INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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 last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

KSL AND INDUSTRIES LIMITED

DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank said Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the demat account or folio. <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 number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant KSL AND INDUSTRIES LIMITED on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 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.
- (xviii) Dr. Shubh Karan Jain, Company Secretary in whole time practice, has been appointed as Scrutinizer, who in the opinion of the Board can scrutinize the e-voting process in fair and transparent manner.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Sunday, 13th July, 2014 at 9:00 a.m. and ends on Tuesday, 15th July, 2014 at 6:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 23rd June, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.

For and Behalf of the Board of Directors

Place : Mumbai
Date : 29th May, 2014

Sd/-
Deepak Mathur
Chairman

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

ITEM NO. 3:

The Board of Directors of the Company appointed, pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, Shri Deepak Mathur as an Additional Director of the Company with effect from 10th August, 2013.

In terms of the provisions of Section 161(1) of the Companies Act 2013, Shri Deepak Mathur would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Deepak Mathur for the office of the Director of the Company. He shall be liable to determination by retirement of directors by rotation.

Shri Deepak Mathur is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Shri Deepak Mathur is Textile Engineer and has done MBA and he has rich experience in Textile industry. Shri Deepak Mathur is also on the Board of Jaybharat Textiles And Real Estate Limited.

The Board recommends the passing of this Resolution. None of the Directors except Shri Deepak Mathur, are interested in the Resolution.

ITEM NO. 4:

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Shri Trivendra Shambhu Singh as an Additional Director (designated as an Independent Director) of the Company with effect from 27th February, 2014.

In terms of the provisions of Section 161(1) of the Companies Act, 2013 Shri Trivendra Shambhu Singh would hold office up to the date of the ensuing Annual General Meeting.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri Trivendra Shambhu Singh being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years commencing from 19th July, 2014 to 18th July, 2019. He shall not be included in the total number of directors for the determination by retirement of directors by rotation.

Shri Trivendra Shambhu Singh is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Trivendra Shambhu Singh for the office of the Director of the Company.

Shri Trivedra Shambhu Singh is Graduate and Having vast experience in execution of various projects in textiles.

Shri Trivedra Shambhu Singh is on the Board of several well known Companies such as Krishna Knitwear Technology Limited, Eskay K'n'it (India) Limited, Tayal Energy Limited, Actif Corporation Limited and Global Softect Limited .

The Board recommends the passing of this Resolution. None of the Directors except Shri Trivendra Shambhu Singh are interested in the Resolution.

ITEM NO. 5:

Shri Farindra Bihari Rai, Director of the Company and whose period of office is liable to determination by retirement of directors by rotation and whose term expires at this Annual General Meeting.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri Farindra Bihari Rai being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years commencing from 19th July, 2014 to 18th July, 2019. He shall not be included in the total number of directors for the determination by retirement of directors by rotation.

Shri Farindra Bihari Rai is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Farindra Bihari Rai for the office of the Director of the Company.

Shri Farindra Bihari Rai is Graduate and having vast experience in Textile Industry. He has vast experience in Spinning and Knitting sector.

Shri Farindra Bihari Rai is on the Board of several well known Companies such as Jaybharat Textiles And Real Estate Limited, Krishna Knitwear Technology Limited, K-Lifestyle & Industries, Limited Pulgaon Cotton Mills Limited, Tayal Energy Limited, Actif Corporation Limited and Mori Hanol Hydro Power Limited.

The Board recommends the passing of this Resolution. None of the Directors except Shri Farindra Bihari Rai are interested in the Resolution.

ITEM NO. 6:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 as per the following details:

Sr. No.	Name of the Cost Auditor	Industry	Audit Fees (In ₹)
1.	Mr. Pradip M Damania	Textiles	22,000/-

For and Behalf of the Board of Directors
Sd/-

Deepak Mathur
Chairman

Place: Mumbai
Date: 29th May, 2014

KSL AND INDUSTRIES LIMITED

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 32nd Annual Report and the Audited Statements of Accounts of your Company for the financial year ended 31st March, 2014.

FINANCIAL RESULTS:

	2013-2014	(₹ in Lacs) 2012-2013
Revenue from operations	92295.60	110697.57
Cost of Sales	80406.59	98365.28
Finance Cost (including Loss on foreign exchange fluctuation)	8965.95	26230.56
Depreciation and Amortization Expenses	9456.62	10239.75
Other Administration Expense	3445.95	7965.42
Profit before Exceptional and Extraordinary Items and Tax	(9979.01)	(32103.45)
Exceptional Items & Extraordinary Items	—	—
Profit/Loss before Tax	(9979.01)	(32103.45)
Provision for Tax	0.00	0.00
Deferred Tax Assets/(Liabilities)	(343.73)	(276.83)
Profit/Loss after Tax	(9635.28)	(31826.61)

Note: Previous year figures have been regrouped / rearranged wherever necessary

DIVIDEND:

In view of inadequacy of profits, your Directors are unable to recommend any dividend on the equity shares for the year under review.

REVIEW OF OPERATIONS:

During the year, the Income from operations of Company has substantially decreased to ₹ 92295.60 Lacs as against ₹ 110697.57 Lacs in respect of the previous Financial Year ended 31st March, 2013. The Profit before Depreciation and Amortization Expenses, Interest (including Loss on foreign exchange fluctuation) and Tax is Rs 8443.06 Lacs in the financial year ended 31st March, 2014 as against profit ₹ 4366.87 Lacs in the previous financial year ended 31st March, 2013. The Company has incurred during the year Net Loss of ₹ 9635.27 as against Net Loss of ₹ 31826.61 Lacs in the previous financial year ended 31st March, 2013.

The company experienced that the efficiency of plant and machineries, especially Spinning Machines have gone down and set up an in house Expert Group to suggest measures for Technology up gradation and Modernization. A per their recommendations, old machines including Ring Frames, requiring expenditure towards repairs and maintenance consuming high power with low out put have been identified and shifted to workshop/godowns for appropriate action.

SUBSIDIARY COMPANY:

KSL And Industries Limited ("the Company") having Two subsidiaries Companies namely M/s. Actif Corporation Limited and M/s. Kalameshvar Textile Mills Limited.

The Report and Accounts of the Subsidiary Companies are annexed to this Report along with the Statement pursuant to Section 212 of the Companies Act, 1956. However, in the context of the mandatory requirement to present consolidated accounts, which provides Members with a consolidated position of the Company including its Subsidiary, at the first instance, Members are being provided with the Report and Accounts of the Company and the Consolidated Accounts treating these as abridged accounts as contemplated by Section 219 of the Companies Act, 1956. Members who wish to receive the full Report and Accounts including the Report and Accounts of the Subsidiary Companies will be provided with it upon receipt of a written request. This will help save considerable cost in connection with printing and mailing of the Report and Accounts.

DIRECTORS:

During the year, Shri Rajshekhar Ganiger, has resigned as a Director of the Company w.e.f. 26th August 2013 and Shri Navin Kumar Tayal, has resigned as a Director of the Company w.e.f. 26th February, 2014. The Board of Directors place on record the valuable services rendered by them during their tenure as Director of the Company.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, Shri Deepak Mathur was appointed as an Additional Director of the Company on 10th August, 2013. The Company has received requisite notice in writing from a member proposing Shri Deepak Mathur for appointment as a Director.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Shri Trivendra Shambhu Singh was appointed as an Additional Director designated as an Independent Director w.e.f. 27th February, 2014 and he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Shri Trivendra Shambhu Singh for appointment as an Independent Director.

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In terms of the Articles of Association of the Company, Shri Farindra Bihari Rai, Independent Director of the Company whose period of office is liable to determination by retirement of directors by rotation and whose term expires at the ensuing Annual General Meeting. The Company has received requisite notices in writing from members proposing Shri Farindra Bihari Rai for appointment as Independent Director.

AUDIT COMMITTEE:

The composition of Audit Committee is as given in the Report on Corporate Governance.

SHAREHOLDERS' / INVESTOR GRIEVANCE COMMITTEE:

The composition of Shareholders'/Investor Grievance Committee is as given in the Report on Corporate Governance.

REPORT ON CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion and Analysis Report and a Corporate Governance Report are made as a part of this Annual Report.

A Certificate from the M/s. A. F. Khasgiwala & Co., Practicing Chartered Accountants and Shri Manoj Kumar Sharma, Managing Director regarding Compliance of the conditions of Corporate Governance as stipulated by Clause 49 of the Listing Agreement is attached to this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) that in the preparation of the annual accounts for the financial year ended 31st March 2014, the applicable Accounting Standards had been followed along with proper explanation relating to material departures except revised AS-15 applicable to accounting treatment for gratuity and leave encashment which are accounted for on cash basis;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the Statement of Profit & Loss of the Company for the year under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) that the Directors had prepared the accounts for the financial year ended 31st March, 2014 on a going concern basis.
- (v) that the accounts have been prepared on the basis of Revised Schedule VI of the Companies Act, 1956. Accordingly the previous year figure have adjusted/ regroup/ rearrange to the confirm with the current year figures.

FIXED DEPOSITS:

The Company has not invited/received any fixed deposits from the public during the year under Report.

INSURANCE:

The properties, stock, assets of your Company are adequately insured.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the Annexure forming part of this Report.

LISTING AGREEMENT:

Your Company is committed to the adoption of good Corporate Governance practices in letter and spirit. Under the revised Clause 49 of the Listing Agreement, your Directors are pleased to inform that Company has implemented all the mandatory stipulations prescribed under Clause 49. A Certificate from a Practicing Company Secretary in line with Clause 49 is annexed to and forms part of the Director's Report.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITOR:

M/s. A. F. Khasgiwala & Co., Chartered Accountants, the Statutory Auditor of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from of M/s. A. F. Khasgiwala & Co., Chartered Accountants, to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

COST AUDITOR:

The Company has appointed Mr. Pradip M Damania, Cost Accountant, as Cost Auditor of the Company for conducting the audit of cost records of the Company for the financial year 2013-14.

PARTICULARS OF EMPLOYEES:

None of the employees drew remuneration of ₹ 60,00,000/- or more per annum/ ₹ 5,00,000/- or more per month during the year. This information is furnished as required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

KSL AND INDUSTRIES LIMITED

SAFETY, HEALTH AND ENVIRONMENT:

Sustained and meticulous efforts continue to be exercised by the Company at all plants of the Company, towards greener production and environment conservation. The Company perseveres in its efforts to indoctrinate safe and environmentally accountable behavior in every employee, as well as vendors, by rigid compulsory annual training and refresher courses, as well as frequent awareness programmed. Mock drills of emergency preparedness are regularly conducted at all the plants showing Company's commitment towards safety, not only of its own men and plants, but also of the society at large.

Safety records, at all the plants showed considerable improvement and accident statistics showed downward trend. This was made possible by strict adherence to laid down procedures and following of international guidelines. Involvement of workers in all safety matters has been encouraged by their participation in shop floor safety meetings.

The health of employees and the environment in and around the Plant area have been given due care and attention. The Company continued to comply with the prescribed industrial safety environment protection and pollution control regulation at its production plant, through periodic checks of the system involved and constant monitoring to meet the standards set by the pollution control authorities, etc.

All the mills of the Company are eco-friendly and do not generate any harmful effluents. They have facilities for captive power generation as a stand-by arrangement, to meet any contingency. Safety devices have been installed wherever necessary, although both the spinning and knitting activities are known to be quite safe and free from usual hazards of water and air pollution.

INDUSTRIAL REALATIONS & HUMAN RESOURCES MANAGEMENT:

The Company is of firm belief that good Human Resource Management would ensure success though high performance. HR strategy and plans of the Company are deeply embedded with the organizational goals. In order to enhance the manpower productivity the goal is set to increase the production capacity of the various plants and rationalize the manpower through scientific study. All the operational goals of the top management emanate from the business plan. The goals of MD are shared with his subordinates who in turn share their goal with their respective subordinates and so on. Regular visits by HR team are being made to all the plants to meet the employees and also interaction meetings are conducted to get their feedback, based on which HR policies are improved continuously. The process has resulted in better employee relationship.

The Company lays due emphasis on all round development of its human resource. Hence training of the employees is aimed at systemic development of knowledge, skills, aptitude and team work. Training is designed for the development of personal skills necessary for the performance of the present job and to prepare them for future growth. Individual development is given top priority to groom high caliber manpower.

ACKNOWLEDGEMENT:

Your Directors place on record their appreciation of the assistance and support extended by Bankers, Consultants, Solicitors, Shareholders and Employees of the Company.

For and on Behalf of the Board of Directors

Sd/-

Deepak Mathur

Chairman

Place: Mumbai

Date: 29th May, 2014

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ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(1)(e), of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year 2013-14.

I. CONSERVATION OF ENERGY

a) Energy conservation measures taken:

The Company has been making concerted efforts for enhancement in capacity utilization, cost competitiveness and quality through systematic process monitoring and adherence to technological norms. Sophisticated instruments are used for regulation and adjustment as per parameters. Efforts are also made for up gradation of the quality of the Plant Operation. Utilities are being combined for effective energy conservation.

b) Additional Investments and Proposals being implemented for reduction of consumption of energy:

The Company, as a matter of policy, has a regular and ongoing program for investments in energy saving devices. Studies are being made to reduce energy consumption and make suitable investments in this area, if necessary.

c) Impact of the measures (a) & (b) above for reduction of energy consumption and consequential impact on the cost of production of goods:

The Company has economized considerably the cost of power despite steep hike in the tariffs and is constantly exploring avenues for cost saving as an on-going process.

d) Total energy consumption and energy consumption per unit of production in accordance with Form 'A' of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, in respect of Industries specified in the Schedule thereof:

	Year ended 31.03.2014	Year ended 31.03.2013
A. Power and Fuel Consumption:		
1. Electricity		
(a) Purchased		
1. Units (KWH in Lacs)	339.61	688.83
2. Total Amount (₹ in lacs)	2207.44	4477.42
3. Rate/Unit (₹)	6.50	6.50
(b) Own Generation (through Diesel Generator/Furnace Oil/Gas)		
1. Units (KWH in Lacs)	51.61	872.79
2. Total Amount (₹ in lacs)	837.19	5472.40
3. Cost per unit (₹)	16.22	6.27
2. Coal		—
3. Furnace Oil	—	
4. Others/Internal Generation/Steam		—
B. Consumption per unit of production: (Product : Yarn & Fabric)		
1. Electricity (KWH per tonne)	863.38	2312.17
2. Coal (Kgs.)		—
3. Furnace Oil (Ltrs.)		—
4. Steam (Tonnes)		—

Note: Since the Company manufactures different qualities of fabrics/yarns with product-mix changing significantly, there are no specific norms for per unit of production.

II. TECHNOLOGY ABSORPTION:

EFFORTS MADE IN TECHNOLOGY ABSORPTION AS PER FORM B OF THE ANNEXURE TO THE RULES.

Research and Development (R & D)

a) Specified areas in which R & D Activities are carried out by the Company.	R & D activities are being carried out continuously to produce better quality of yarn and fabrics.
b) Benefits derived as a result of the above	With the help of R & D activities, the Company has been able to produce quality yarn and fabrics of international standards.
c) Future Plan of Action	Efforts aimed at cost reduction, improvement in quality of existing products and development of new process will continue.
d) Expenditure on R & D	Expenditure on R & D is being booked under the respective heads of expenditure in the Profit & Loss Account as no separate account is maintained for the purpose.
e) Technology Absorption, Adaption and Innovation	The Company has not utilized any imported technology.

III. FOREIGN EXCHANGE EARNINGS AND OUT-GO:

a) Activities relating to export Markets for products and services and export plan

The Company has set up an Export Division for export of premium quality yarns and garments.

	Year ended 31.03.2014	Year ended 31.03.2013
b) Foreign Exchange Outgo (₹ in Lacs)	944.20	37,517.37
c) Foreign Exchange earned (₹ in Lacs)	Nil	Nil

For and on behalf of the Board of Directors

Sd/-

Deepak Mathur
Chairman

Place: Mumbai
Date: 29th May, 2014

KSL AND INDUSTRIES LIMITED

CORPORATE GOVERNANCE REPORT

This brief report on matters required to be stated on Corporate Governance pursuant to Clause 49 of the Listing Agreements is as under:

1. Company's Philosophy on Code of Governance

At **KSL AND INDUSTRIES LIMITED**, the concept of Corporate Governance does not mean only total transparency, integrity and accountability of the management team but also to maximize shareholder's value and protection of the interests of all the stakeholders. It includes the policies and procedures adopted by the Company in achieving its objective in relation to its shareholders, employees, customers, and suppliers, regulatory authorities and society at large.

The Revised Clause 49 of Listing Agreement has introduced Code of Conduct for its Directors and Executives so that they remain accountable to the shareholders and other beneficiaries for their actions.

It is a recognized philosophy of the company that effective and good Corporate Governance is a must, not only in order to gain credibility and trust, but also as a part of strategic management for the survival, consolidation and growth.

2.1 Board of Directors

The Board of Directors consists of 5 Directors.

During the year 2013-14, the board met 4 times on the following dates namely 29th May, 2013, 09th August, 2013, 13th November, 2013, 13th February, 2014. There was no time gap of four months or more between any two meetings.

The name and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the 31st Annual General Meeting held on 10th August, 2013, as also the number of Directorships and Committee Memberships held by them in other Public Companies are given below:

Name	Category	Attendance Particulars		Number of other directorships and Total Committee member/Chairmanships		
		Board Meetings	Last AGM	Other Directorships In Indian Public Limited Companies	Committee Memberships	Committee Chairmanships
Shri Navin Kumar Tayal*	NEC	4	Yes	Nil	Nil	Nil
Shri Manoj Kumar Sharma	MD	2	Yes	1	1	1
Shri Rajshekhar S. Ganiger*	ID	NIL	No	Nil	Nil	Nil
Shri Farindra Bihari Rai	ID	4	Yes	8	10	5
Shri Deepak Mathur**	NED	2	No	1	3	1
Shri Kailash Nath Bhandari	ID	4	No	9	5	1
Shri Trivendra Shambhu Singh**	ID	NIL	No	5	6	1

*Resignation **Appointment

1. Shri Rajshekhar S. Ganiger has resigned from Directorship w.e.f. 26/08/2013
2. Shri Navin Kumar Tayal has resigned from Directorship w.e.f. 26/02/2014
3. Shri Deepak Mathur has been appointed as an Additional Director w.e.f. 10/08/2013
4. Shri Trivendra Shambhu Singh has been appointed as an Additional Director w.e.f. 27/02/2013

"NEC" = Non Executive Chairman, "MD" = Managing Director, "ID" = Independent Director, NED = Non- Executive Director.

2.2 Appointment and Re-appointment of Directors

As required under Clause 49(VI) of the Listing Agreement the brief details of the directors seeking appointment/re- appointment at the ensuing Annual General Meeting are furnished hereunder:

Sl. No.	Name of Director	Brief Resume	Area of Expertise	Other Directorships	Other Committee Memberships	Other Committee Chairmanship
1.	Shri Deepak Mathur	Textile Engineer and MBA	Having vast experience in Textile industry.	1	3	1
2.	Shri Trivedra Shambhu Singh	Graduate	Having vast experience in Textile Industry.	5	6	1
3.	Shri Farindra Bihari Rai	Graduate and having vast experience in Textile Industry. He has vast experience in Spinning and Knitting sector.	Administration & Planning.	8	10	5

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2.3 Non-Executive Directors Compensation Disclosures

Details of Sitting Fees paid to Non-Executive Directors of the Company during the year is as follows:

Name of Director	Category	Sitting Fees (in ₹)	
		Board Meetings	Committee Meetings
Shri Navin Kumar Tayal	NEC	40,000/-	Nil
Shri K. N. Bhandari	ID	40,000/-	40,000/-
Shri Rajshekhar S. Ganiger	ID	Nil	Nil
Shri Farindra Bihari Rai	ID	40,000/-	40,000/-
Shri Deepak Mathur	NED	20,000/-	10,000/-
Shri Trivendra Shambhu Singh	ID	Nil	Nil
Total		1,40,000/-	90,000/-

3. Board Committees

The requirement that a Director shall not be a member of more than 10 committees and Chairman of more than 5 committees has been complied with while constituting the Committees of Director.

3.1 Audit Committee

The Audit Committee of the Company has been re-constituted in the meeting of the Board of Directors held on 13th November, 2013. The Committee now comprises of Shri Farindra Bihari Rai as the Chairman and Shri Kailash Nath Bhandari & Shri Deepak Mathur as the members of the Committee.

The constitution of Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49(II)(A) as introduced by the Companies (Amendment) Act, 2000.

The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreement read with the Section 292A of the Companies Act, 1956. The terms of reference of the Audit committee are as follows:

The terms of reference specified by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement. They are as follows:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information.
- b. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the Annual Financial Statements before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices (ii) major accounting entries based on exercise of judgment by management (iii) qualifications in draft Audit Report (iv) significant adjustments arising out of audit (v) the going concern assumption (vi) compliance with Accounting Standards (vii) compliance with Stock Exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors any significant findings and follow up there on.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h. Discussion with external auditors before the audits commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- i. Reviewing the Company's various financial and risk management policies.
- j. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

During the year 2013-14, the Audit Committee met 4 times on the following dates namely 29th May, 2013, 09th August, 2013, 13th November, 2013 and 13th February, 2014.

Name of Member	Designation	Attendance
Shri Farindra Bihari Rai	Chairman	4
Shri Rajshekhar Ganiger*	Member	Nil
Shri Kailash Nath Bhandari	Member	4
Shri Deepak Mathur	Member	1

*1. Shri Rajshekhar Ganiger has resigned from Membership of the Audit Committee w.e.f. 26/08/2013.

KSL AND INDUSTRIES LIMITED

3.2 Remuneration Committee

The Company does not have a Remuneration Committee. The remuneration payable to the Managing Director and the sitting fees paid to the Non-Executive Directors is approved by the Board of Directors within the overall limits fixed by the Members of the Company at the General Meetings.

Remuneration to Managing Director and Non-Executive Directors for the year 2014-15.

Name	Salary	Commission	Sitting Fees	Total
Shri Manoj Kumar Sharma	₹6,00,000	Nil	Nil	₹ 6,00,000
Non-Executive Directors	Nil	Nil	₹ 2,30,000	₹ 2,30,000

3.3 Shareholders'/ Investors' Grievance Committee

The Shareholders'/ Investors' Grievance Committee of the Company has been re-constituted in the meeting of the Board of Directors held on 13th November, 2013. The Committee now comprises of Shri Farindra Bihari Rai as the Chairman and Shri Manoj Kumar Sharma & Shri Deepak Mathur as the Members of the Committee.

The Committee, inter alia, looks into redressing of shareholders'/investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc. The Committee oversees the performance of the Company and recommends measures for overall improvement of the quality of investor services. The Board of Directors has delegated the power for approving transfer of securities to the Managing Director and Chairman of the Company.

During the year 2013-14, the Shareholders/Investors Grievance Committee met 4 times on the following dates namely 29th May, 2013, 09th August, 2013, 13th November, 2013 and 13th February, 2014.

Name of Member	Designation	Attendance
Shri Farindra Bihari Rai	Chairman	4
Shri Rajshekhar Ganiger*	Member	2
Shri Manoj Kumar Sharma	Member	4
Shri Deepak Mathur	Member	1

*1. Shri Rajshekhar Ganiger has resigned from Membership of the Shareholders'/ Investors' Grievance Committee w.e.f. 26/08/2013.

No of Shareholder's Complaint received so far : 10
 Complaints solved to the satisfaction of shareholders : 10
 Number of pending complaints : Nil

3.4 Management and Finance Committee:

The Board of Directors of the Company has constituted Management and Finance Committee in their meeting held on 28th April, 2011. The Management and Finance Committee of the Company has been re-constituted in the meeting of the Board of Directors held on 13th November, 2013. The Committee now comprises of Shri Manoj Kumar Sharma as the Chairman, Shri Deepak Mathur and Shri Farindra Bihari Rai as the members of the Committee. The Committee is formed to take the decisions and to pass the necessary Resolutions on the day-to-day matters of the Company, on behalf of the Board of Directors.

During the year 2013-14, the Management and Finance Committee met 22 Times. The details of the Meetings of the members are given hereunder:

Name of Member	Designation	Attendance
Shri Manoj Kumar Sharma	Member	22
Shri Farindra Bihari Rai	Member	22
Shri Rajshekhar Ganiger*	Member	8
Shri Deepak Mathur	Member	9

*1. Shri Rajshekhar Ganiger has resigned from Membership of the Management and Finance Committee w.e.f. 26/08/2013.

4. General Body Meetings

The last three Annual General Meetings of the Company were held as under:-

Year	Location	Date	Time
2012-13	65, Krishna Nagar, Samarvani, Silvassa (U.T.)	10 th August, 2013	12:30 P.M.
2011-12	65, Krishna Nagar, Samarvani, Silvassa (U.T.)	14 th July, 2012	12:30 P.M.
2010-11	65, Krishna Nagar, Samarvani, Silvassa (U.T.)	9 th July, 2011	12:30 P.M.

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5. Disclosures:

- (a) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors of the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large:

None of the transactions with any of the related parties were in conflict with the interests of the Company.

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

There were no instances of non-compliance of any matter related to the capital markets during the last three years.

6. Means of Communication

- (a) The Company has published its quarterly results in Freepress Journal, Loksatta-Jansatta.
 (b) Management Discussion and Analysis forms integral part of this Annual Report.

7. General Shareholder Information

7.1 Annual General Meeting

- Date and time : 19th July, 2014 at 12.30 p.m.
 – Venue : 65, Krishna Nagar, Samarvani,
 Silvassa (Union Territory of Dadra & Nagar Haveli)

7.2 Financial Year

- : 1st April to 31st March
 Financial Calendar 2014-15 (tentative) : Annual General Meeting – (Next year) August, 2015
 Board Meetings
 Results for the quarter ending June 30, 2014 : Before the 2nd week of August, 2014
 Results for the quarter ending September 30, 2014 : Before the 2nd week of November, 2014
 Results for the quarter ending December 31, 2014 : Before the 2nd week of February 2015
 Results for the year ending March 31, 2015 : Last week of May, 2015

7.3 Book Closure date

- : 17th July, 2014 to 19th July, 2014
 (Both days Inclusive)

7.4 Dividend Payment Date

: N.A.

7.5 (a) Listing of Equity shares

: BSE Limited

(b) Demat ISIN Numbers in NSDL

: Equity Shares: INE219A01026

7.6 Stock Code

: 530149

(Note: Annual listing fees for the year 2014-15 have been duly paid to the BSE Limited)

7.7 Stock Market Data

Month	Open Price	High Price	Low Price	Close Price	No. of Shares
Apr 13	34.95	35.00	25.50	26.85	3,08,375
May 13	28.75	28.75	19.65	23.45	2,38,618
Jun 13	23.40	24.90	18.25	20.15	1,88,565
Jul 13	20.55	20.90	15.65	17.40	2,58,716
Aug 13	17.70	17.75	13.25	15.50	1,69,477
Sep 13	15.80	25.25	14.20	20.90	1,62,524
Oct 13	21.05	22.50	18.45	19.60	45,279
Nov 13	19.75	20.80	18.30	19.75	1,21,011
Dec 13	19.95	21.00	18.35	20.20	2,33,818
Jan 14	21.00	23.00	18.60	19.15	2,72,685
Feb 14	18.95	21.00	16.60	18.50	3,11,998
Mar 14	18.70	22.20	16.20	19.15	3,61,793

Source: www.bseindia.com.

KSL AND INDUSTRIES LIMITED

7.8 Performance in comparison to broad –based indices such as BSE Sensex, CRISIL index etc.

The shares of the Company are listed at BSE Limited., the Stock Market Details of which has been given as above.

7.9 Registrar & Transfer Agent : BIGSHARE SERVICES PVT. LTD.
E-2/3, ANSA INDUSTRIAL ESTATE,
SAKIVIHAR ROAD, SAKI NAKA,
ANDHERI (EAST), MUMBAI – 400 072

7.10 Share Transfer System

The shares of the Company, being in the compulsory demat list, are transferable through the depository system. All transfers received are processed and approved by the Share Transfer Committee which normally meets twice a month. Shares under objection are returned within two weeks.

7.11 a Distribution of Shareholding

Category		Number of Shareholders	Number of Shares held
From	To		
Upto	- 5000	11333	6523997
5001	- 10000	350	629426
10001	- 20000	24	83295
20001	- 30000	5	26842
30001	- 40000	7	62364
40001	- 50000	2	21276
50001	- 10000	9	162057
100001	- and above	79	93159068
TOTAL		11809	100668325

7.11 b Shareholding Pattern

	Category	No. of shares held	Percentage of shareholding
1.	Promoter's Holding	39481387	39.22
2.	Mutual Funds, Banks, Financial Institutions, FII's, NRIs & OCBs,CM,s	3257964	3.23
3.	Domestic Companies	30661283	30.46
4.	Resident Individuals	27267691	27.09
	Total	100668325	100.00

7.12 a Dematerialization of Shares : Approximately 74.57% of the shares issued by the Company have been dematerialized upto 31st March, 2014

7.1 b Liquidity : The Companies shares are listed on the BSE Limited, Mumbai.

7.13 Outstanding FCCB : FCCB of 0.15 million USD listed in Singapore Stock Exchange.

7.14 Plant Location : Silvassa (U.T.)
Dombivali, Dist. Thane (Maharashtra)
Nagpur, Maharashtra
Wada, Dist. Thane

7.15 (i) Address for Investor Correspondence

For transfer / dematerialisation of shares payment of dividend on shares interest and redemption of debentures and any other query relating to shares and debentures of the Company.

BIGSHARE SERVICES PVT. LTD.
E-2/3, ANSA INDUSTRIAL
ESTATE, SAKIVIHAR ROAD,
SAKI NAKA, ANDHERI (EAST),
MUMBAI- 400 072

Note : Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants.

(ii) Any query on Annual Report : Plot No.69-A, Dhanudyog Indl. Area, Piperia, Silvassa (U.T.)

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DECLARATION

I hereby declare and confirm that requirement of Clause 49 of Listing Agreement has been duly complied with save and except compliance of AS-15 applicable to accounting treatment of gratuity and leave encashment which has been accounted on cash basis.

KSL and Industries Limited

Sd/-

**Manoj Kumar Sharma
Managing Director**

**Place : Mumbai
Date : 29th May, 2014**

CEO/CFO CERTIFICATION

I Manoj Kumar Sharma, Managing Director of KSL AND INDUSTRIES LIMITED do certify to the Board that:

- a. I have reviewed Financial Statements and the Cash Flow Statement for the year and that to the best of my knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the Auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

KSL and Industries Limited

Sd/-

**Manoj Kumar Sharma
Managing Director**

**Place : Mumbai
Date : 29th May, 2014**

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct

This is to confirm that the Company has adopted the Code of Conduct for its Board Members and Senior Management Personnel.

I confirm that the Company has in respect of the financial year ended 31st March, 2014, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Executive Directors as on 31st March, 2014.

KSL and Industries Limited

Sd/-

**Manoj Kumar Sharma
Managing Director**

**Place : Mumbai
Date : 29th May, 2014**

KSL AND INDUSTRIES LIMITED

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

The Management of KSL AND INDUSTRIES LIMITED in its Analysis Report laid down the performance and outlook of the Company in order to comply the requirement of Corporate Governance as laid down in the Listing Agreement. However, investors and readers are cautioned that this discussion contains certain forward looking statements that involve risk and uncertainties.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

TEXTILE INDUSTRY:

India's Textiles Industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's export worldwide. The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing export during 12th Five year plan (2012-2017), envisages India's exports of Textiles and Clothing at USD 64.41 billion by the end of March, 2017. The Textiles Industry accounts for 14% of industrial production, which is 4% of GDP; 9% of total excise collections, 18% of employment in industrial sector and employ 35 million people and accounts of nearly 17% share of the country's total export basket.

The highlights of Union Budget 2014-2015 in respect of Textiles Sector are Technology Up gradation Fund Scheme (TUFS) to continue in 12th Plan with an investment target of ₹ 2,00,000 crore. The major focus would be on modernisation of the powerloom sector. It is proposed to provide ₹ 2,400 crore in 2014-15 for the purpose.

In the case of skill development, the budget allocation this year is ₹ 268 crore as against ₹ 250 crore last year. For the integrated textile park scheme, the allocation this year is ₹ 350 crore as against ₹ 140 crore last year.

Ministry of Textile to incentivise setting up 21 new textile parks approved under Scheme for Integrated Textile Parks (SITP). These new parks take the total number to 61 parks as 40 Parks were sanctioned earlier.

The Scheme for Integrated Textiles Parks (SITP) has been instrumental in development of wide range of models for green field clusters from a 1000 acre FDI driven integrated cluster, to a 100 acre powerloom cluster and a 20 acre handloom cluster. Under the scheme, 61 parks have been sanctioned - 40 projects were started in the 11th Five Year Plan and another 21 projects are to be implemented in the 12th Five Year Plan.

Out of the 21 new parks, six are in Maharashtra, four in Rajasthan, two each in Andhra Pradesh and Tamil Nadu and one each in Uttar Pradesh, West Bengal, Tripura, Karnataka, Gujarat, Himachal Pradesh and Jammu & Kashmir.

In this year's budget speech, the Finance Minister announced an additional amount of upto ₹ 10 crores per park for setting up apparel manufacturing units for the projects under the SITP.

A new scheme with an outlay of ₹ 500 crore called the Integrated Processing Development Scheme has been proposed to be implemented in the 12th Plan to address the environmental concerns of the textiles industry, including improving the effluent treatment infrastructure.

The Scheme will facilitate the textiles industry become globally competitive using environmentally friendly processing standards and technology and create new processing parks. This scheme will support the upgradation of existing processing clusters/centres specifically in the area of water and waste water management and also encourage research and development work in the textiles processing sector.

– Cotton

India is the second largest producer of cotton in the world. The International Cotton Advisory Committee (ICAC) noted that India has produced 6.2 metric tonnes (MT) of cotton during the year. India's production next season is likely to touch 9.0 MT. Cotton is the predominant fabric used in the Indian industry, accounting for nearly 60 per cent of production. The average yield of cotton per hectare in Indian is about 400 kilograms which is considered low. During the year India produced total 37.5 million bales, out of which 11.6 million has been produced in Gujarat.

– Spinning

The Spinning Industry in India is on set to hit the global market with its enthusiasm and consistency in work. The spinning sector in India is globally competitive in terms of variety, process and production quantity. It has already reached a phenomenal status in India by beating the obstacles that caused a downfall since past few years and is now on its way to cover a wider area in the spinning sector. In term of spindleage, the Indian textile industries is ranked, after china, and accounts for 23% of the world's spindle capacity.

– Knitting

Weaving and knitting converts cotton, manmade, or blended yarns into woven or knitted fabrics. India's weaving and knitting sector remains highly fragmented, small-scale, and labour intensive.

This sector consists of about 3.9 million handlooms, 470,000 power loom enterprises that operate about 2.8 million looms, and just 162,000 looms in the various composite mills. Power looms are small firms, with an average loom capacity of four to five owned by independent entrepreneurs or weavers. Modern shuttleless looms account for less than 1 percent of loom capacity.

Knitting units are successful in export channels. Some of the prominent weaving / knitting clusters include Tirupur in Tamil Nadu and Ludhiana in Punjab.

i) STRENGTHS, WEAKNESSES, OPPORTUNITY AND THREATS:

The present global economic scenario provides ample opportunities for strong integrated textile companies such as like your company. Over the years the Company has built up capacities of scale by installing state-of-art production facilities. By reinforcing its position across the value change and presenting customers with diversified range of products, the company has developed sustainable business model with strength and resilience to combat any down turn in demand.

Strengths:

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- Various types of raw materials are available in abundance.
- The new age creative and risk taking entrepreneurs.
- Use of latest technology which produces high quality multi-fiber raw material.
- Supportive government policies.
- Strong presence across the entire value chain, from fibre to garments.

Weaknesses:

- The increased global competition due to WTO policies.
- Use of outdated manufacturing technology from the low end suppliers.
- Inefficient supply chain management.
- Lack of trained manpower and low labour productivity due to lack of technological development.
- Additionally, this sector is still unorganised at many levels and needs a lot of government reforms for further improvisation.

Opportunities:

- Favourable demographics in the domestic market; increasing young population coupled with rising income levels.
- Emergence of retail industry as a whole and development of various malls provide huge opportunities for the apparel segment.
- Opportunities in product diversification (for e.g. Technical Textiles).
- Change in consumption pattern, including rising demand for high-quality premium fabrics and development of various products cater to global needs.
- Replacement of the Multi Fibre Agreement (MFA) and integration of the textile industry resulting in huge opportunities for exports. Moreover, gradual development in the technical side of the industry provides an opportunity.

Threats:

- Increased cost based competition from other countries (Bangladesh, Vietnam and Sri Lanka).
- Pricing pressures due to removal of US and EU quotas on imports from China.
- Fluctuations in the demand in export due to the elimination of quota regime.
- Higher borrowing cost which affects the profitability of the small and medium firms.
- Raising input cost.

ii) GOVERNMENT INITIATIVES:

The highlights of Union Budget 2014-2015 in respect of Textiles Sector are Technology Up gradation Fund Scheme (TUFS) to continue in 12th Plan with an investment target of ₹ 2,00,000 crore. The major focus would be on modernisation of the powerloom sector. It is proposed to provide ₹ 2,400 crore in 2014-15 for the purpose.

Ministry of Textile to incentivise setting up 21 new textile parks approved under Scheme for Integrated Textile Parks (SITP). These new parks take the total number to 61 parks as 40 Parks were sanctioned earlier.

The Scheme for Integrated Textiles Parks (SITP) has been instrumental in development of wide range of models for green field clusters from a 1000 acre FDI driven integrated cluster, to a 100 acre powerloom cluster and a 20 acre handloom cluster. Under the scheme, 61 parks have been sanctioned - 40 projects were started in the 11th Five Year Plan and another 21 projects are to be implemented in the 12th Five Year Plan.

Out of the 21 new parks, six are in Maharashtra, four in Rajasthan, two each in Andhra Pradesh and Tamil Nadu and one each in Uttar Pradesh, West Bengal, Tripura, Karnataka, Gujarat, Himachal Pradesh and Jammu & Kashmir.

In this year's budget speech, the Finance Minister announced an additional amount of upto ₹ 10 crores per park for setting up apparel manufacturing units for the projects under the SITP.

A new scheme with an outlay of ₹ 500 crore called the Integrated Processing Development Scheme has been proposed to be implemented in the 12th Plan to address the environmental concerns of the textiles industry, including improving the effluent treatment infrastructure.

iii) AREA OF CONCERNS:

The major areas of concerns are however as follows:

1. Certain Regional trade blocks and trade agreements can change competitive parameters.
2. Enhancement of Preferential Access Programme for select countries. For instance, under the new GSP scheme, formulated by the EU, India's textile sector has been graduated while those from Pakistan and other countries (excluding China) have been included.
3. Evolution of Non Tariff Barriers in the form of packaging/labeling requirements, customs and other formalities; environmental safeguards, sanitary and phyto-sanitary measures.
4. The developed countries continue to seek quantitative restrictions on textiles and clothing. Their imports show that quotas are still being used as an instrument of restraining growth. The recent settlement arrived at by the European Commission under intense domestic pressure undermines the free play of market forces.

iv) OUTLOOK:

KSL AND INDUSTRIES LIMITED

As the industrial and economic growth of the Country is showing steady improvement, the Company has drawn out and is implementing an action plan which comprises thrust on high margin products, reduction in raw material costs, rationalization of operations and overheads, optimizing inventory level, selective credit policy to customers and liquidation of slow-moving inventories and overdue receivables.

The Company with its superior product mix and higher value-addition, coupled with the change in industry scenario like more fiscal incentives as announced by Government of India for textile industry, change in consumer preferences from woven to knitted clothes etc., has benefitted significantly during the financial year 2013-2014 and is expected to do the same in the years to come.

B) REAL ESTATE INDUSTRY:

Real estate in India continues to be a favoured destination globally for investors, developers and non-resident Indians (NRIs), driven largely by investor-friendly government policies and increasing globalisation. The second largest employment generation sector after agriculture, real estate contributes about 6.3 per cent to India's gross domestic product (GDP). The foreign direct investment (FDI) in the sector is expected to touch US\$ 25 billion in the next 10 years from its current US\$ 4 billion.

The sector's progress is driven by factors such as rapid urbanisation, a growing trend towards nuclear families, positive demographics, rural-urban migration, ever-developing infrastructure, higher income levels and housing demand. The real estate sector, with its growing investment opportunities, is expected to post annual revenues of US\$ 180 billion by 2020.

The real estate sector in India is witnessing rapid growth in the residential, commercial and industrial segments. Real estate development, once restricted to bigger cities, have shown marked progress in smaller cities and towns owing to availability of banks loans, higher earnings and improved standard of living.

The real estate sector of India is projected to post annual revenues of US\$ 180 billion by 2020 against US\$ 66.8 billion in 2010-11, a compound annual growth rate (CAGR) of 11.6 per cent. The demand is expected to grow at a CAGR of 19 per cent in the period 2010-2014, with Tier I metropolitan cities expected to account for about 40 per cent of this growth. As of now, Mumbai, Delhi-National Capital Region (NCR) and Bengaluru cater for 46 per cent of total office space demand in India. This demand is expected to be rise sharply in Tier II cities such as Kolkata and Chennai in the period 2010-14.

Today, Delhi-NCR accounts for about 30 per cent of the total mall supply in India. About 53 per cent of demand for total mall space is projected to come from the country's top seven cities, namely Delhi-NCR, Bengaluru, Mumbai, Kolkata, Pune, Hyderabad, and Chennai, in the period 2010-2014.

The Indian real estate sector plays a significant role in the country's economy. The real estate sector is second only to agriculture in terms of employment generation and contributes heavily towards the gross domestic product (GDP).

The major development in real estate is of residential in nature, the rest comprises of commercial, shopping, hotel and hospital space.

The Company's flagship realty project christened as "**Empress City**" at Nagpur is progressing well and on its completion it has the potential to generate ₹ 450 Crores in Revenues across three years. The complex being built up on ten Hectare facility will comprise of residential complexes, Five Star Hotels, Shopping Malls, IT Parks, Multiplexes etc. The Company has also undertaken realty projects at other locations also.

REAL ESTATE SECTOR'S:

Strength

- Greater professionalism in the industry
- Better product design and quality
- Technologically innovative products

Weakness

- Difficulties in procuring local sanctions
- Inadequate backup by local authorities
- High pricing and limited demand
- Difficulties in the exit route

Opportunities

- Competitive market creation
- Mass investments in the economy
- REITS / MFs
- Improved business environment

Threats

- Displacement of existing players
- Financial risks
- Market risks
- High susceptibility to Litigation

C) Segment-wise performance

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The Company's operations can be categorized into two segments namely Textile and Real Estate. However since the operations of the Company in the Real Estate Segment are in the implementation stage, the current financial year's performance relates only to the Textile Segment. The same has been detailed in the Financial Results of the Company.

D) Risk and Concern

Forward looking statements are based on certain assumptions and expectations of the future events that are subject to risks and uncertainties. Actual future results and trends may differ materially from historical results, depending on variety of factors. The risk and concerns faced by the Company are similar to those faced by any growing organization in today's dynamic industrial and economic scenario.

There are no major risk and concern to the Company's operation except from the competitive pricing pressure from cheaper imports, unethical competitions from sick units, free market policies and removal of quantitative restrictions.

E) INTERNAL CONTROL SYSTEM:

The Company has been maintaining a well-established procedure for internal control system. For the purpose financial control, Company is adequately staffed with experienced and qualified personnel at all levels and play an important role in implementing and monitoring the statutory and Internal policy control environment. There has been a review conducted by M/s. Rakesh M Agarwal & Co., the Internal Auditor, about the financial and operating controls. The Audit Committee of the Company reviews the adequacy of internal audit functions.

F) FINANCIAL PERFORMANCE VS. OPERATIONAL PERFORMANCE:

During the year, the Income from operations of Company has substantially decreased to ₹ 92295.60 Lacs as against ₹ 110697.57 Lacs in respect of the previous Financial Year ended 31st March, 2013. The Profit before Depreciation and Amortization Expenses, Interest (including Loss on foreign exchange fluctuation) and Tax is Rs 8443.06 Lacs in the financial year ended 31st March, 2014 as against profit ₹ 4366.87 Lacs in the previous financial year ended 31st March, 2013. The Company has incurred during the year Net Loss of ₹ 9635.27 as against Net Loss of ₹ 31826.61 Lacs in the previous financial year ended 31st March, 2013.

G) DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATION FRONT:

As part of HR-initiatives, thrust is given for Leadership Development to meet the aspirations and long-term goals of the Company. The Company has also laid qualitative objectives to maximize overall growth. Emphasis was placed on building a cohesive workforce to maximize returns to all stakeholders. Focused attention was given for knowledge updating and application of new technologies available to reduce costs and to meet the business challenges.

The focus of Human resource is on building and developing intellectual capital through innovative ideas. The industrial relation climate of the Company continues to remain harmonious with focus on quality and safety.

H) RESEARCH AND DEVELOPMENT:

Increased globalization has made the marketing of products and retention of customers highly competitive. The need of the hour is total customer satisfaction and value for money from the products marketed. Keeping this objective as paramount, the research and development activities were focused into prompt attention to major customer complaints/ suggestions in order to retain/enhance customer satisfaction. The Company has started launching products of better quality and new look as per customer requirements.

Forward looking statements are based on certain assumptions and expectations of the future events that are subject to risks and uncertainties. Actual future results and trend may differ materially from historical results, depending on variety of factors.

KSL AND INDUSTRIES LIMITED

INDEPENDENT AUDITORS' REPORT

To,
The Members of
KSL and Industries Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of KSL And INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss for the period 1st April 2013 to 31st March 2014 and the Cash Flow Statement for the period then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for 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 Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the

Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the period ended on that date; and
- (c) in the case of the Cash Flow Statement, of the Company for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs).
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1) (g) of the Act.

For A.F. Khasgiwala & Co
Chartered Accountants

Sd/-
A.F. Khasgiwala
Partner

Membership No: 006491
Firm Reg No: 105114W

Place : Mumbai
Date : 29th May, 2014

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ANNEXURE TO THE AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 2 OF AUDITORS' REPORT OF EVEN DATE

On the basis of such checks/ audit procedures as we considered appropriate and according to the information and explanation given to us during the course of audit, we state that:

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Fixed Assets.
 - (b) The management has at reasonable intervals carried out the physical verification of the fixed assets. No material discrepancies have been noticed on such verification.
2. In respect of its inventories:
 - (a) The inventories have been verified during the year by the management. In our opinion, having regard to the nature and location of the stocks, the frequency of the physical verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) In our opinion, and according to the information and explanations given to us, the Company has maintained proper records of its inventories and discrepancies noticed on physical verification of the above referred inventories as compared to the book records were not material and have been properly dealt with in the books of account.
3. The company has neither granted nor taken secured or unsecured loans from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly Sub-clause (b), (c) & (d) are not applicable.
4. In our opinion, and according to the information and explanations given to us, in a few cases as the items are of special nature and no alternative quotation are available, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of stores, raw materials including components, plant & machinery, equipment and similar assets & purchase of goods and for the sale of goods We have not observed any major weakness in such internal control system.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register under section 301 have been so entered.
 - (b) According to the information and explanations given to us, purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating during the year to ₹500000 or more in respect of each party have been made at prices which are reasonable having regards to the prevailing market price for such goods, materials or services or the prices at which the transactions for similar goods are services have been made with other parties, where applicable.
6. The Company has not accepted any deposits from the public during the year & consequently the provision of Section 58A and 58AA or any other relevant provision of the Companies Act, 1956 and the Rules made there under are not applicable.
7. In our opinion, the company has an adequate internal audit system commensurate with the size of the company and nature of its business.
8. We are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government of India under Section 209 (1) (d) of the Act have been maintained. We have, however, not made a detailed examination of such accounts and records.
9. In respect of statutory dues:
 - (a) According to the information and explanations given to us, the Company has generally been regular in deposited undisputed statutory dues including Provident Fund and Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Cess and other material statutory dues with the appropriate authorities though there is delay in some cases.
 - (b) There are no disputed statutory dues. Therefore reporting under this clause does not arise.
10. According to the information and explanations given to us, the company does not have an overdue outstanding to any financial institution or Banks.
11. In our opinion and according to records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
12. In our opinion and according to the information and explanations provided to us the nature of activities of the company does not attract special statute applicable to Chit fund & Nidhi /Mutual benefit / society
13. All shares, debentures and other securities held as investments by the company have been held by the Company in its own name.
14. According to the information and explanations given to us, the Company has given on behalf of Actif Corporation Ltd (Formerly known as Deccan Mills & infrastructure Ltd (Subsidiary company)guarantee for loans taken by others from banks or financial institutions.
15. According to the information and explanations given to us, the working capital and term loans raised during the year were used for the purpose for which they were raised.
16. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on Short-term basis have been used for long term investment.
18. During the year the Company has not made any payment to parties or companies covered in the register maintained u/s 301 of the companies Act, 1956.
19. The Company has not issued debenture during the year.
20. The Company has not raised money by public issue during the year.
21. Based upon the Audit procedure preformed for the purpose of reporting the true and fair view of financial statement as per the information and explanations given to us, no frauds on or by the company has been noticed or reported during the year.

For **A.F. Khasgiwala & Co**
Chartered Accountants
Sd/-
A.F. Khasgiwala
Partner
Membership No: 006491
Firm Reg No: 105114W

Place : Mumbai
Date : 29th May, 2014

KSL AND INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Notes No.	As at	
		31.03.2014	31.03.2013
(₹ in Lacs)			
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	4,026.73	4,026.73
(b) Reserves and Surplus	2.2	(3,668.62)	5,966.66
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	2.3	80,920.32	88,114.11
(b) Deferred Tax Liabilities (Net)	2.4	1,502.61	1,846.34
(c) Other Long Term Liabilities		—	—
(d) Long Term Provisions		—	—
(3) Current Liabilities			
(a) Short-Term Borrowings	2.5	32,005.07	32,251.11
(b) Trade Payables	2.6	359.53	632.42
(c) Other Current Liabilities	2.7	16,128.76	11,372.19
(d) Short-Term Provisions	2.8	2,050.68	518.10
Total Equity & Liabilities		133,325.14	144,727.68
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
<i>Tangible Assets</i>			
(i) Gross Block		131,145.32	144,592.38
(ii) Depreciation		52,767.20	55,312.74
(iii) Net Block		78,378.12	89,279.64
Capital work in Progress		3,084.79	2,883.40
<i>Intangible Assets</i>			
Others	2.10	417.12	556.16
(b) Non-current investments	2.11	1,151.95	1,311.95
(c) Deferred tax assets (net)		—	—
(d) Long term loans and advances		—	—
(e) Other non-current assets		—	—
(2) Current Assets			
(a) Current investments		—	—
(b) Inventories	2.12	23,420.27	27,847.80
(c) Trade receivables	2.13	22,261.20	18,412.58
(d) Cash and cash equivalents	2.14	883.46	372.76
(e) Short-term loans and advances	2.15	3,728.23	4,063.38
(f) Other current assets		—	—
Total Assets		133,325.14	144,727.68

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

The accompanying notes are integral part of the financial statements

This is the Balance Sheet referred to in our Report of even date.

For A. F. KHASGIWALA & CO
Chartered Accountant

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
A. F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn. No.105114W

Sd/-
Manoj Kumar Sharma
Managing Director

Sd/-
Deepak Mathur
Director

Place : Mumbai
Date : 29.05.2014

Sd/-
Ketan Trivedi
Company Secretary

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

Particulars	Notes No.	Year ending 31.03.2014	Year ending 31.03.2013
			(₹ in Lacs)
I Revenue from operations	2.16	92,295.60	110,697.57
I. Total Revenue		<u>92,295.60</u>	<u>110,697.57</u>
II Expenses:			
Cost of Sales	2.17	80,406.59	98,365.28
Finance Costs	2.18	8,965.95	26,230.56
Depreciation and Amortization Expense	2.19	9,456.12	10,239.75
Other Administrative Expenses	2.20	3,445.95	7,965.42
Total Expenses (II)		<u>102,274.61</u>	<u>142,801.02</u>
III Profit before exceptional and extraordinary items and tax	(I - II)	<u>(9,979.01)</u>	<u>(32,103.45)</u>
IV Exceptional Items		—	—
V Profit before extraordinary items and tax		<u>(9,979.01)</u>	<u>(32,103.45)</u>
VI Extraordinary Items		—	—
VII Profit before tax		<u>(9,979.01)</u>	<u>(32,103.45)</u>
VIII Tax expense:			
(1) Current tax		—	—
(2) Deferred tax		<u>(343.73)</u>	<u>(276.83)</u>
IX Profit(Loss) from continuing operations		<u>(9,635.28)</u>	<u>(31,826.62)</u>
X Profit/(Loss) from discontinuing operations		—	—
XI Tax expense of discounting operations		—	—
XII Profit/(Loss) from Discontinuing operations		—	—
XIII Profit/(Loss) for the period		<u>(9,635.28)</u>	<u>(31,826.62)</u>
XIV Earning per equity share:			
Equity shares of per value ₹4/-each			
(1) Basic		(9.91)	(31.89)
(2) Diluted		(9.91)	(31.89)
No. of share used in computing earning per share		100,668,325	100,668,325

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

The accompanying notes are integral part of the financial statements

This is the Balance Sheet referred to in our Report of even date.

For A. F. KHASGIWALA & CO
Chartered Accountant

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
A. F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn. No.105114W

Sd/-
Manoj Kumar Sharma
Managing Director

Sd/-
Deepak Mathur
Director

Place : Mumbai
Date : 29.05.2014

Sd/-
Ketan Trivedi
Company Secretary

KSL AND INDUSTRIES LIMITED

NOTES FORMING INTEGRAL PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 GENERAL

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP"), and in compliance with the Accounting Standards referred to in section 211 (3C) and other requirements of the Companies Act, 1956

The preparation of financial statements in conformity with Indian GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets etc. Actual results could differ from these estimates.

1.2 REVENUE RECOGNITION

- Revenue on sale of products is recognized when the products are dispatched to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Sales are stated net of returns and sales tax collected.
- Revenue in respect of insurance/other claims, interest, export incentives etc. is recognized only when it is reasonably certain that the ultimate collection will be made.

1.3 FIXED ASSETS

- Own Assets:
Fixed Assets are stated at cost less accumulated depreciation. Cost includes all identifiable expenditure to bring the assets to its present location and condition.
- Assets taken on Lease:
Operating Lease:
Assets taken on lease under which, all the risk and reward of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating leases are recognized as expenses on accrual basis in accordance with the respective lease agreements and charged to the Profit & Loss Account.

1.4 DEPRECIATION

The Company follows the straight line method of providing depreciation at the rates prescribed in Schedule XIV to the Companies Act 1956 read with Section 205(2) (b) of the said Act on pro-rata basis uniformly in respect of all assets.

1.5 INVESTMENTS

Long term investments are carried at cost. Less Provision for diminution other than temporary, if any in value of such investments.

1.6 INVENTORIES

Inventories are valued at cost or net realizable value, whichever is lower.

1.7 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Note : 2.1

Share Capital

		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	AUTHORIZED CAPITAL		
	250000000 Equity Shares of ₹ 4/- each. (Previous Year 250000000 Equity Shares of ₹ 4/-each)	10,000.00	10,000.00
	50,00,000 Redeemable Preference Shares of ₹ 10/- each (Previous year 5000000 Red. Preference Shares of ₹ 10/- each)	500.00	500.00
2	ISSUED & SUBSCRIBED		
	100668325 Equity Shares of ₹ 4/- each fully paid up (Previous Year 100668325 Equity Shares of ₹ 4/- each)	4,026.73	4,026.73
3	PAID UP CAPITAL		
	100668325 Equity Shares of ₹ 4/- each fully paid up (Previous Year 100668325 Equity Shares of ₹ 4/- each)	4,026.73	4,026.73
	Total	4,026.73	4,026.73

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2.1 (a) Details of share holders holding morethan 5% shares

Name of Shareholders	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ram Pratap Tayal	11204658	11.13	11204658	11.13
Jyotika Tayal	7025400	6.98	7025400	6.98
Vandana Tayal	7020000	6.67	7020000	6.67
Bhavana Tayal	6474600	6.43	6474600	6.43

2.1 (b) Reconciliation of Number of Shares Outstanding as at 1st April 2013 and 31st March,2014 :

EQUITY SHARES :

Particulars	Number	(₹ in Lacs)
Shares outstanding as at the 1st April, 2013	100668325	4,026.73
Add : Shares issued during the period	NIL	NIL
Shares outstanding as at 31st March, 2014	100668325	4,026.73

Note : 2.2 Reserve & Surplus

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
			(₹ in Lacs)
(a)	Reserves		
	General Reserve	5,527.48	5,527.48
	Share Premium Account	23,888.34	23,888.34
	Capital Reserve	3.76	3.76
	Total (a)	<u>29,419.58</u>	<u>29,419.58</u>
(b)	Surplus		
	Profit & Loss Account		
	Balance brought forward from previous year	(23,452.92)	8,373.69
	Add: Net Profit/(Net Loss) for the period	(9,635.28)	(31,826.61)
	Total (b)	<u>(33,088.20)</u>	<u>(23,452.92)</u>
	Total (a+b)	<u>(3,668.62)</u>	<u>5,966.66</u>

Note : 2.3 Long Term Borrowing

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
			(₹ in Lacs)
	Secured		
1	Term Loan from Banks*	22,081.67	29,364.11
2	ECB Loan**	5,297.49	4,680.89
3	FITL Working Capital loan from Banks***	3,009.70	3,548.27
	Unsecured		
1	From Corporates	50,441.54	50,441.54
2	FCCB Liability	89.91	79.29
	Total	<u>80,920.32</u>	<u>88,114.11</u>

* ₹ 8271.09 (previous year ₹ 8139.70 Lacs) Secured by 1st Charge over the Fixed Assets both Movable and Immovable assets of Textile division of the company and 2nd Charge over the entire current Assets of the company and Personal guarantee of Mr Saurabh K. Tayal, Advisor of the Company and Corporate guarantee of M/s Kalameshwar Textile Mills Ltd.

[Terms of Repayment 6 Years]

*Term Loan of ₹13659.32 Lacs (Previous Year ₹22592.74 Lacs) is Secured by 1st Mortgage Charge on the shopping mall Empress City, Nagpur

[Terms of Repayment 8 Years]

** ECB Loan repaid ₹944.20 Lacs out of Opening payable of ₹ 4680.89 Lacs

***Accumulated interest facility under CDR mechanism on Working Capital Loan.

Note : 2.4 Deffered Tax Liability

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
			(₹ in Lacs)
	Depreciation on Fixed Assets	1,502.61	1,846.34
	Total	<u>1,502.61</u>	<u>1,846.34</u>

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Note : 2.5 Short Term Borrowing

Sr. No	Particulars	As at 31.03.2014	(₹ in Lacs) As at 31.03.2013
	Secured		
	Working capital Loan *		
	From Banks	31,629.96	31,564.04
	FITL Term Loan**		
	From Banks	375.11	687.08
	Total	32,005.07	32,251.11

*1st pari-pasu charge on the current assets both present and future of the company.

** 2nd pari-pasu charge on the entire fixed assets both present and future of the company. Personal guarantee of Mr Saurabh K. Tayal, Advisor of the company

[Terms of Repayment 1 Years (every year renewal)]

**Accumulated interest facility under CDR mechanism on Term Loan.

Note : 2.6 Trades Payable

Sr. No	Particulars	As at 31.03.2014	(₹ in Lacs) As at 31.03.2013
1	Sundry Creditors for Material/Supplies	359.53	632.42
	Total	359.53	632.42

Note : 2.7 Other Current Liabilities

Sr. No	Particulars	As at 31.03.2014	(₹ in Lacs) As at 31.03.2013
1	Interest Accured & due	781.36	1,471.02
2	Interest Accured but not due		
3	Others Liabilities	15,347.40	9,901.17
4	Share Application money received for allotment of securities and due for refund		
	Total	16,128.76	11,372.19

Note : 2.8 Short Term Provisions

Sr. No	Particulars	As at 31.03.2014	(₹ in Lacs) As at 31.03.2013
1	Provision for Taxation		
2	outstanding Expenses payable	560.19	518.10
3	Provision for Interest	1,490.49	—
	Total	2,050.68	518.10

Note: 2.9 Fixed Assets as on 31.03.2014

(₹ In Lacs)

SR. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		At Cost 1.4.2013	Addition	Deduction	As on 31.03.2014	As on 1.4.2013	Deduction	During The Year	Upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
1	Land & Building(emp)	31029.89	0.00	275.00	30754.89	2794.38	0	736.48	3530.86	27224.04	28235.52
2	Land & Site Development	4008.25	0.00	0.00	4008.25	0.00	0	0.00	0.00	4008.25	4008.25
3	Building	25645.89	0.00	0.00	25645.89	4387.28	0	856.57	5243.85	20402.03	21258.61
4	Residential Building	127.93	0.00	0.00	127.93	27.67	0	2.09	29.75	98.18	100.26
5	Plant & Machinery	81527.99	0.00	13181.30	68346.69	47315.12	11863	7601.45	43053.94	25292.75	34212.88
6	Electric Installation	958.71	0.00	0.00	958.71	222.86	0	45.54	268.40	690.31	735.86
7	Furniture & Fixtures	308.66	0.00	0.00	308.66	165.13	0	19.17	184.30	124.37	143.53
8	Air Conditioner	134.76	0.00	0.00	134.76	58.55	0	8.49	67.04	67.72	76.21
9	Office Equipment	700.82	0.00	0.00	700.82	194.58	0	44.28	238.86	461.96	506.24
10	Computers	83.76	4.99	0.00	88.75	83.12	0	1.05	84.17	4.58	0.64
11	Vehicle	65.72	4.25	0.00	69.97	64.06	0	1.97	66.03	3.94	1.66
	Total	144592.38	9.24	13456.30	131145.32	55312.74	11863	9317.08	52767.20	78378.12	89279.65
	Capital Work in Porgress(tex)	1523.66	201.26	0.00	1724.92	0.00	0	0.00	0.00	1724.92	1523.66
	Capital Work in Porgress(rel)	1359.74	0.13	0.00	1359.87	0	0.00	0.00	0.00	1359.87	1359.74
	TOTAL	147475.79	210.63	13456.30	134230.11	55312.74	11863	9317.08	52767.20	81462.91	92163.03
	PREVIOUS TOTAL	146116.05	1990.07	630.33	147475.78	45212.03	0	10100.71	55312.74	92163.05	100904.01

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Note : 2.10 Fixed Assets (other)		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
	Miscellaneous Expenditure (To the extent not adjusted or written off)		
	Deffered revenue expenditure	556.16	695.20
	Less : Written off during the year	139.04	139.04
	Total	417.12	556.16
Note : 2.11 Non current Investment		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
	(a) Investment in Equity Instruments ;		
	(i) Quoted Shares		
	Asahi Fibres Ltd. Of ₹ 1/- each Fully paid up	16000000	160.00
	(ii) Unquoted Shares		
	In Subsidiary Companies		
	Actif Corporation Ltd.of ₹ 10/- each fully paid up	49994	5.00
	Kalmeshwar Textiles Mills Ltd.of ₹ 10/- each fully paid up	1641598	1,050.00
	In others		
	Mori hanol Hydro-power ltd.of ₹ 10/-each fully paid up	499996	50.00
	Tayal Energy Ltd. ₹ 10/-each fully paid up	469500	46.95
	Total	18,661,088	1,311.95
	Aggregate Book Value of Quoted Investments	160.00	160.00
	Aggregate Market Value of Quoted Investments	1268.80	5336.00
	Aggregate Book Value of Unquoted Investments	1,151.95	1,151.95

NOTES FORMING PART OF THE STATEMENT OF PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note : 2.12 Inventories		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
	(a) Textiles :		
	1 Raw Material	16,926.17	19,287.99
	2 Work-in-Progress	1,297.00	2,525.10
	3 Finished Goods	1,638.95	2,364.25
	4 Consumables	26.85	139.18
	Total (a)	19,888.98	24,316.52
	(b) Real Estate :		
	1 Marol Maroshi Project	1,994.44	1,994.44
	2 Kandivali Project	1,536.84	1,536.84
	Total (b)	3,531.29	3,531.28
	Total (a+b)	23,420.27	27,847.80
Note : 2.13 Trade Recievables		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
	1 Outstanding for more than six months		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	101.85	79.81
	c) Doubtful		
	2 Others		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	22,159.35	18,332.77
	c) Doubtful	—	—
	Total	22,261.20	18,412.58

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Note : 2.14 Cash & Cash Equivalent		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
(a)	Cash-in-Hand		
	Cash Balance	5.14	8.04
	Sub Total (a)	<u>5.14</u>	<u>8.04</u>
(b)	Bank Balance		
	In Current Account	602.70	85.75
	Sub Total (b)	<u>602.70</u>	<u>85.75</u>
(c)	Fixed Deposit	275.62	278.96
	Sub Total (c)	<u>275.62</u>	<u>278.96</u>
	Total [A + B + C]	<u><u>883.46</u></u>	<u><u>372.76</u></u>
Note : 2.15 Short Terms Loans and Advances		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Others	3,417.90	3,762.54
	Advance Recoverable in cash or in kind or for value to be considered good		
2	Subsidiary receivable	310.33	300.84
	Total	<u><u>3,728.23</u></u>	<u><u>4,063.38</u></u>
Note : 2.16 Revenue from Operations		(₹ in Lacs)	
Sr. No	Particulars	Year ending 31.03.2014	Year ending 31.03.2013
(a)	Sale of Product :	89,719.07	109,284.57
	Less : Rebate / Discount	—	—
		89,719.07	109,284.57
(b)	Sale of Services :	2,576.53	1,413.00
(c)	Other Income :	—	—
	Total	<u><u>92,295.60</u></u>	<u><u>110,697.57</u></u>
Note : 2.17 Cost of Sales		(₹ in Lacs)	
Sr. No	Particulars	Year ending 31.03.2014	Year ending 31.03.2013
a)	MATERIALS AND GOODS CONSUMED		
	Opening Stock	19,287.99	20,165.88
	Add : Purchases	63,985.91	74,040.31
		83,273.90	94,206.19
	Less : Closing Stock	16,926.17	19,287.99
	Raw Material Consumed	<u>66,347.73</u>	<u>74,918.19</u>
	Sub total (a)		
b)	CHANGE IN INVENTORIES		
	Opening Stock :		
	Finished goods	2,364.25	3,586.05
	Stores & Consumables	139.18	
	Work in progress	2,525.10	3,738.68
	Total (i)	<u>5,028.53</u>	<u>7,324.73</u>
	Closing Stock :		
	Finished goods	1,638.95	2,364.25
	Stores & Consumables	26.86	
	Work in progress	1,297.00	2,525.10
	Total (ii)	<u>2,962.82</u>	<u>4,889.35</u>
	Sub total (b)(i-ii)	<u>2,065.71</u>	<u>2,435.38</u>

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c) DIRECT/PRODUCTIONS EXPENSES

Power & Fuel	3,044.63	9,949.83
Stores, chemical & Packing Materials	1,570.74	2,846.52
Labour Charges	6,202.98	5,906.72
Processing & Job work charges	289.18	656.36
Freight Charges	612.66	85.12
Repair & Maintenance	201.31	934.96
Water Charges	50.43	142.46
Loading & Unloading Expenses	20.65	489.74
Loss on sale of Plant & Machinery	0.55	—
Sub total (c)	11,993.14	21,011.71
Total (a+b+c)	80,406.59	98,365.28

Note : 2.18 Finance Cost

Sr. No	Particulars	Year ending 31.03.2014	Year ending 31.03.2013
	Interest Cost	7,394.52	14,346.71
	Other borrowing cost	—	89.90
	Loss on foreign currency transaction	1,571.43	11,793.95
	Total	8,965.95	26,230.56

Note : 2.19 Depreciation & Amortization Expenses

Sr. No	Particulars	Year ending 31.03.2014	Year ending 31.03.2013
	Depreciation	9,317.08	10,100.71
	Miscellaneous Expenses W/off	139.04	139.04
	Total	9,456.12	10,239.75

Note : 2.20 Other Administrative Expenses

Sr. No	Particulars	Year ending 31.03.2014	Year ending 31.03.2013
	Commission & Brokerage	36.02	42.84
	Sales Promotion Expenses	61.34	522.06
	Transportation Charges	49.63	302.11
	Insurance Charges	21.03	39.34
	Rent, Rates and Taxes	307.95	158.43
	Directors Remuneration	6.00	6.00
	Directors Sitting Fees	2.30	2.40
	Legal, Professional & Consultancy Charges	465.71	327.85
	Travelling & Conveyance	138.36	779.02
	Auditors Remuneration	1.15	1.12
	Telephone Charges	8.35	438.60
	Salary & Staff Welfare Expenses	1,153.88	1,057.30
	Security Charges	90.85	23.68
	Postage & Telegram	13.81	98.74
	Printing & Stationery	18.19	846.89
	General Expenses	28.84	109.04
	Motor Car Expenses	12.80	430.26
	Electricity Charges (Net)	189.58	305.89
	Repairs and Maintenance Building	102.00	785.46
	Repairs and Maintenance Others	422.66	402.15
	Computer Expenses	—	325.48
	Advertisement Expenses	203.64	556.42
	Office Expenses	87.42	346.08
	Service Charges	6.47	56.12
	Registration & filling Fees	15.97	1.28
	Listing Fees	1.99	0.87
	Total	3,445.95	7,965.42

KSL AND INDUSTRIES LIMITED

NOTES TO THE ACCOUNTS

- a. Employee benefits :
- Provident fund has been paid regularly in time by the company
 - Gratuity and Leave encashment are accounted for in cash basis as and when paid.
- b. i. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes as a substantial period of time to get ready for its intended use or sale.
- ii. All other borrowing costs are charged to revenue in the period in which they are incurred.
- c. The company has two business segment namely "Textiles" and "Real Estate" hence segment reporting as required under AS-17 issued by ICAI and made mandatory w. e .f. 1/04/2001 for certain business enterprises is applicable in case of company,
- d. AS-18 Related Party Disclosure: AS per accounting Standard -18 "Related Party Disclosures" issued by ICAI related parties of the company and nature of relationship are as follows :

Related Party	Nature of Relationship
Kalameshwar Textile Mills Ltd.	100% Subsidiary company
Actif Corporation Ltd	Subsidiary company u/s 4(1)(a)
M.K.Sharma	Key Management person

Disclosure of related party transactions:

Related Party	Nature of Relationship	Nature of Transaction	Volume of Transaction (₹Lacs)
M.K.Sharma	Key Management Person	Remuneration	6.00

- e. AS-19 Leases The Company has taken various Assets on Lease and leave license basis, all leases are operating leases the details of the same are as under:

(₹ in Lacs)

S. No.	Future Lease Payments	2013-14	2012-13
1	Not later than 1Year	0	0
2	Later than 1Year but not later than 5Years	—	—
3	Later than 5Years	—	—

- f. **Contingent Liabilities and Commitments (to the extent not provided for) :**

(₹ in Lacs)

Particular	As at 31st March 2014	As at 31st March 2013
(i) Contingent Liabilities :		
(a) Claims against the company not acknowledge as debt	—	—
(b) Guarantees given by the Company	335.11	340.11
(c) Corporate Guarantee Given :	—	—

- g. Deferred Tax assets & Liabilities

Deferred tax has been provided in a accordance with the Accounting Standard-22 – "Accounting for taxes on income" issued by the ICAI applicable with effect from 1st April 2001. The Accumulated Deferred tax liability as on 31st March, 2014 amounting to ₹1502.61 Lacs is the difference between the book depreciation and tax depreciation.

- h. Impairment of Assets:

The carrying cost of assets are reviewed at each balance sheet date to find out any indication of impairment based on the internal & external factors An assets is treated as impairment when the carrying cost of the assets exceeds its recoverable amount. An impairment loss if any, charged to P&L a/c. in the year in which the assets is identified as impaired. Reversal of impairment loss recognized in prior years is recorded when there is an indication that impairment loss recognized for the assets no longer exists or has decreased.

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- i. There are no parties which can be classified as small scale industries to whom the Company owes a sum exceeding ₹ 1 Lacs , which is outstanding for more than 30 days
- j. Balances in respect of some of the Debtors, Creditors, Loans and Advances are subject to confirmations.
- k. CENVAT: Capital expenditure and raw materials have been taken at net value after adjusting CENVAT, wherever applicable as per guidelines issued by The Institute of Chartered Accountants of India..
- l. In the opinion of the Board, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business, the provisions for all known liabilities are adequate and not in excess than reasonably necessary.
- m. Additional Information under part II of schedule VI of Companies Act 1956

	2013-2014	2012-2013
a) Remuneration to Auditors		
Audit Fee	0.97	0.94
Tax Audit Fee	0.15	0.15
b) Remuneration to Managing Director	6.00	6.00

- n. Foreign Currency Transaction:-

	2013-2014	2012-2013
Foreign Currency Transaction are accounted for at the rate prevailing on the date transactions.		
Earning In Foreign Currency	NIL	
FCCB principle paid	NIL	37283.92
Interest on FCCB	NIL	92.19
ECB payment	944.20	141.26

- o. Break-up Expenditure on employees who were in receipt of remuneration aggregating not less than ₹ 24,00,000/-, if employed throughout the year or not less than ₹ 2,00,000/- p.m. if employed for part of the year

i Employed throughout the year - Number of Employees	NIL	NIL
ii Employed for the part of the year-Number of Employees	NIL	NIL

- p. Figures of previous year have been re-grouped/re-arranged wherever necessary to confirm to this year's classification.

Expenditure in Foreign Currency: (₹ Lacs)	2013-14	2012-13
a) Value of Imported capital goods on CIF	NIL	NIL
b) Traveling Expenses	NIL	NIL
c) Remittance of dividend to NRIS AND FII	NIL	NIL

FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

For A. F. KHASGIWALA & CO
Chartered Accountant

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
A. F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn. No.105114W

Sd/-
Manoj Kumar Sharma
Managing Director

Sd/-
Deepak Mathur
Director

Place : Mumbai
Date : 29.05.2014

Sd/-
Ketan Trivedi
Company Secretary

KSL AND INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	2013-2014	(₹ in Lacs) 2012-2013
I CASH INFLOWS		
(1) From Operating activities		
(a) Profit from operating activities		
Adjustments :		
Depreciation and amortization	9,456.12	10,234.52
(b) Working capital changes :		
Decrease in inventories	4,427.54	3,261.60
Decrease in trade receivables	-	10,201.88
Decrease in short-term loans and advances	335.15	
Decrease in other current assets		
Increase in trade payables		
Increase in other current liabilities	4,756.57	-
Increase in provisions	1,532.58	-
Total of (1)	20,507.95	23,698.00
(2) From Investing activities		
(a) Proceeds from sale of fixed assets	1,593.13	
(b) Proceeds from sale of investments	160.00	
(c) Realisation of long-term loans and advances from subsidiaries / associates / business ventures		
(d) Decrease in other long-term loans and advances	-	
(e) Decrease in other non-current assets	-	
(f) Dividend received		
(g) Interest received		
(h) Other income	-	
Total of (2)	1,753.13	0.00
(3) From Financing activities		
(a) Proceeds from issue of share capital		
(b) Share application money pending allotment		
(c) Proceeds from long-term borrowings	-	31,228.77
(d) Proceeds from short-term borrowings	-	-
Total of (3)	-	31,228.77
Total cash inflows (1+2+3)	22,261.08	54,926.77
II CASH OUTFLOWS		
(1) From Operating activities		
(a) Loss from operating activities		
Adjustments :		
Depreciation and amortization	9,978.52	27,892.64
(b) Working capital changes :		
Increase in inventories		
Increase in trade receivables	3,848.62	
Increase in short-term loans and advances	-	22,418.76
Increase in other current assets		
Decrease in trade payables	273.37	63.35
Decrease in other current liabilities	-	1,767.76
Decrease in provisions	-	1,047.91
(c) Direct taxes paid (Net of refunds)		
Total of (1)	14,100.51	53,190.42

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PARTICULARS	2013-2014	(₹ in Lacs) 2012-2013
(2) From Investing activities		
(a) Purchase of tangible assets / capital work -in-progress	210.03	1359.74
(b) Purchase of intangible assets /assets under development		
(c) Purchase of investments		
(d) Investment in subsidiaries / associates / business ventures	-	
(e) Payment of long-term loans and advances to subsidiaries / associates / business ventures		
(f) Increase in other long-term loans and advances		
(g) Increase in other non-current assets		
Total of (2)	210.03	1,359.74
(3) From Financing activities		
(a) Repayment of long-term borrowings	7,193.79	
(b) Repayment of short-term borrowings	246.04	536.95
(c) Dividends paid (including distribution tax)		
(d) Interest and other finance costs		
(e) Share issue expenses		
Total of (3)	7,439.84	536.95
Total cash Outflows (1+2+3)	21,750.37	55,087.11
III Net (decrease) / increase in cash and cash equivalents (I - II)	510.71	(160.34)
Add : Cash and cash equivalents at the beginning of the period	372.76	533.10
IV Cash and cash equivalents at the end of the period	883.46	372.76

This is the Balance Sheet referred to in our Report of even date.

For A. F. KHASGIWALA & CO
Chartered Accountant

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
A. F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn. No.105114W

Sd/-
Manoj Kumar Sharma
Managing Director

Sd/-
Deepak Mathur
Director

Place : Mumbai
Date : 29.05.2014

Sd/-
Ketan Trivedi
Company Secretary

AUDITOR'S CERTIFICATE

We have examined the attached cash flow statement of **KSL and Industries Limited** for the year ended 31st March 2014. The Statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with Bombay Stock Exchanges and is based on and is in Agreement with the corresponding Statement of Profit and Loss account for the year and Balance Sheet as at 31.03.2014 of the company as per report to the members of the company.

For A.F.KHASGIWALA & CO.
Chartered Accountants

Sd/-
A.F.Khasgiwala
Partner
Membership no.006491
Firm Regn No.105114W
Place : Mumbai
Date : 29.05.2014

KSL AND INDUSTRIES LIMITED

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO
THE BOARD OF DIRECTORS OF
KSL AND INDUSTRIES LIMITED.

We have audited the accompanying consolidated financial statements of KSL AND INDUSTRIES LTD. ("the Group"), which comprise consolidated the Balance Sheet as at 31st March 2014, the consolidated Statement of Profit and Loss for the period 1st April 2013 to 31st March 2014 and the consolidated Cash Flow Statement for the period then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid, consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of consolidated the Balance Sheet, of the state of affairs of the Company as at 31st March 2014;
- (b) in the case of consolidated the Statement of Profit and Loss, of the loss of the Company for the period ended on that date: and
- (c) in the case of the consolidated Cash Flow Statement, of the Company for the period ended on that date.

Others:

Financial statement of subsidiaries "Kalameshvar Textiles Mills Limited" and which reflect total assets (net) ₹ 385.02 Lacs and total revenue of ₹ 393.86 Lacs, "Actif Corporation Limited" and which reflect total assets (net) ₹ 28032.94 Lacs and total revenue of ₹ 32331.90 Lacs for the year ended 31st March 2014 have been audited by us.

For **A.F. KHASGIWALA & CO**
Chartered Accountants

Sd/-
A.F. KHASGIWALA
Partner
Membership No: 006491
Firm Reg No: 105114W

Place : Mumbai
Date : 29-05-2014

ANNUAL REPORT 2013-2014

ANNEXURE TO THE CONSOLIDATED AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 2 OF AUDITORS' REPORT OF EVEN DATE

On the basis of such checks/ audit procedures as we considered appropriate on the books of accounts produced before us and according to the information and explanation given to us during the course of audit, we state that:

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Fixed Assets.
 - (b) The management has at reasonable intervals carried out the physical verification of the fixed assets. No material discrepancies have been noticed on such verification.
2. In respect of its inventories:
 - (a) The inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of the stocks, the frequency of such verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) In our opinion, company is maintaining proper records of inventory. The discrepancies noticed on physical verification of the above referred inventories as compared to the book records were not material and have been properly dealt with in the books of account.
3. In our opinion and according to the information and explanations given to us , there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls and there is no counting failure for the same.
4. The company has neither granted nor taken secured or unsecured loans to//from Companies, firm or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly Sub-clause (b), (c) & (d) are not applicable to the company
5. In respect of transactions covered under Section 301 of the Companies Act , 1956:
 - (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, We are of the opinion that the transactions that need to be entered into the register under section 301 have been so entered.
 - (b) According to the information and explanations given to us, purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating to ₹ 5,00,000/- (Rupees Five Lacs only) or more during the year in respect of each party have been made at prices which are reasonable having regards to the prevailing market price for such goods, materials or services or the prices at which the transactions for similar goods are services have been made with other parties, where applicable.
6. The Company has not accepted any deposits from the public; hence question of complying with the provision of Section 58A and 58AA of the Companies Act, 1956 and Rules made there under does not arise.
7. In our opinion, the internal audit system of the Company is commensurate with the size of the company and nature of its business.
8. We are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government of India under Section 209 (1) (d) of the Act have been maintained. We have, however, not made a detailed examination of such accounts and records.
9. In respect of statutory dues:
 - (a) According to the records of the company, the Provident Fund and Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Cess and other material statutory dues have been regularly deposited during the year with appropriate authorities.
 - (b) There are no disputed on statutory dues.
10. The Company does not have any accumulated losses as at 31st March, 2014 as the debit balance of consolidated statement of Profit or Loss ₹47190.98 Lacs has been adjusted against surplus and reserves (Refer Note No.2.2) and has not incurred cash losses in the financial year ended on that date or in the immediately preceding year.
11. According to the books of accounts & records of the company, There has been no default in repayment of dues to any Financial Institution or Banks during the year.
12. Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.

KSL AND INDUSTRIES LIMITED

13. In our opinion and according to the information and explanations provided to us the nature of activities of the company does not attract special statute applicable to Chit fund & Nidhi /Mutual benefit / society.
14. During the year, the Company has not dealt in dealing and trading of shares, securities, debentures and other investments.
15. According to the information and explanation given to us and on the overall examination of the Balance Sheet of the Company, We report that no funds raised on short term basis have been used for long term investment by the company.
16. Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
17. The Company has not made any preferential allotment of shares during the Year.
18. During the year covered by our audit report the Company has not issued any debentures.
19. The Company has not raised any money by public issues during the year.
20. Based upon the Audit Procedures preformed for the purpose of reporting the true and fair view of financial statement and as per the information & explanation given by the Management, we report that no fraud on or by the company has been noticed or reported during the year.

For A.F. KHASGIWALA & CO
Chartered Accountants

Place : Mumbai
Date : 29-05-2014

Sd/-
A.F. KHASGIWALA
Partner
Membership No: 006491
Firm Reg No: 105114W

ANNUAL REPORT 2013-2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Notes No.	As at 31.03.2014	(₹ in Lacs) As at 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	8026.73	8026.73
(b) Reserves and Surplus	2.2	(16523.12)	(1335.61)
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	2.3	106190.12	108218.09
(b) Deferred Tax Liabilities (Net)	2.4	2138.00	2626.21
(c) Other Long Term Liabilities		—	—
(d) Long Term Provisions		—	—
(3) Current Liabilities			
(a) Short-Term Borrowings	2.5	41995.91	42166.81
(b) Trade Payables	2.6	501.38	1002.27
(c) Other Current Liabilities	2.7	16391.87	17506.39
(d) Short-Term Provisions	2.8	2637.05	869.08
Total Equity & Liabilities		161357.94	179079.97
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	2.9		
Tangible Assets			
(i) Gross Block		156776.25	182781.81
(ii) Depreciation		61570.00	72579.38
(iii) Net Block		95206.25	110202.43
Capital work in Progress		3084.79	2883.40
Intangible Assets			
Goodwill		663.40	663.43
(b) Non-current investments	2.10	96.95	256.95
(c) Deferred tax assets (net)		3.47	—
(d) Long term loans and advances		—	—
(e) Other non-current assets		—	—
others	2.11	419.30	558.53
(2) Current Assets			
(a) Current investments			
(b) Inventories	2.12	28579.23	35877.24
(c) Trade receivables	2.13	27466.85	22798.65
(d) Cash and cash equivalents	2.14	986.64	403.40
(e) Short-term loans and advances	2.15	4850.95	5435.96
(f) Other current assets		—	—
Total Assets		161357.94	179079.97

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:
The accompanying notes are integral part of the financial statements

This is the Balance Sheet referred to in our Report of even date.

For A. F. KHASGIWALA & CO
Chartered Accountant

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
A. F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn. No.105114W

Sd/-
Manoj Kumar Sharma
Managing Director

Sd/-
Deepak Mathur
Director

Place : Mumbai
Date : 29.05.2014

Sd/-
Ketan Trivedi
Company Secretary

KSL AND INDUSTRIES LIMITED

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

Particulars	Notes No.	(₹ in Lacs)	
		Year ending 31.03.2014	Year ending 31.03.2013
I Revenue from operations	2.16	125021.36	151351.98
I. Total Revenue		125021.36	151351.98
II Expenses:			
Cost of Sales	2.17	113163.02	139239.31
Finance cost	2.18	10356.07	28880.92
Depreciation and Amortization Expense	2.19	12297.63	13835.80
Other Administrative Expenses	2.20	4888.35	9263.78
Total Expenses (II)		140705.07	191219.81
III Profit before exceptional and extraordinary items and tax	(I - II)	(15683.71)	(39867.83)
IV Exceptional Items			
V Profit before extraordinary items and tax		(15683.71)	(39867.83)
VI Extraordinary Items			
VII Profit & Loss on Disposal of subsidy of consolidation			
VIII Profit before tax		(15683.71)	(39867.83)
IX Tax expense:			
(1) Current tax			0.22
(2) Short provision for tax in earlier year			
(3) Deferred tax		(492.91)	(506.52)
Add: Minority Shareholders share in Loss			
X Profit(Loss) from continuing operations		(15187.50)	(39361.53)
XI Profit/(Loss) from discontinuing operations			
XII Tax expense of discounting operations			
XIII Profit/(Loss) from Discontinuing operations			
XIV Profit/(Loss) for the period		(15187.50)	(39361.53)
XV Earning per equity share:			
(1) Basic		(15.09)	(39.10)
(2) Diluted		(15.09)	(39.10)
No.of share used in computing earning per share		100668325.00	100668325.00

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

The accompanying notes are intergal part of the financial statements

This is the Profit & Loss Statement referred to in our Report of even date.

For A. F. KHASGIWALA & CO
Chartered Accountant

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
A. F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn. No.105114W

Sd/-
Manoj Kumar Sharma
Managing Director

Sd/-
Deepak Mathur
Director

Place : Mumbai
Date : 29.05.2014

Sd/-
Ketan Trivedi
Company Secretary

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	2013-2014	2012-2013
		(₹ in Lacs)
I CASH INFLOWS		
(1) From Operating activities		
(a) Profit from operating activities		
Adjustments :		
Depreciation and amortization	12297.63	13835.80
(b) Working capital changes :		
Decrease in inventories	7298.01	6867.12
Decrease in trade receivables		15154.32
Decrease in short-term loans and advances	585.01	4774.94
Decrease in other current assets		
Increase in trade payables		
Increase in other current liabilities	0.00	3150.43
Increase in provisions	1767.97	0.00
Total of (1)	21948.62	43782.61
(2) From Investing activities		
(a) Proceeds from sale of fixed assets	2849.90	
(b) Proceeds for Disposal of Subidiary company		0.00
(b) Proceeds from sale of investments	160.00	
Total of (2)	3009.90	0.00
(3) From Financing activities		
(a) Proceeds from issue of share capital		
(b) Share application money pending allotment		
(c) Proceeds from long-term borrowings		427.79
(d) Proceeds from short-term borrowings		0.00
Total of (3)	0.00	427.79
Total cash inflows (1+2+3)	24958.52	44210.40
II CASH OUTFLOWS		
(1) From Operating activities		
(a) Loss from operating activities		
Adjustments :		
Depreciation and amortization	15683.71	39868.03
(b) Working capital changes :		
Increase in inventories		
Increase in trade receivables	4668.20	0.00
Increase in short-term loans and advances		
Increase in other current assets		
Decrease in trade payables	500.89	115.19
Decrease in other current liabilities	1114.52	0.00
Decrease in provisions		2281.20
(c) Direct taxes paid (Net of refunds)		
Total of (1)	21967.41	42264.42

KSL AND INDUSTRIES LIMITED

PARTICULARS	(₹ in Lacs)	
	2013-2014	2012-2013
(2) From Investing activities		
(a) Purchase of tangible assets / capital work -in-progress	208.99	1359.75
(b) Purchase of intangible assets /assets under development		
(c) Purchase of investments		
(f) Increase in other long-term loans and advances		
(g) Increase in other non-current assets		
Total of (2)	208.99	1359.75
(3) From Financing activities		
(a) Repayment of long-term borrowings	2027.97	0.00
(b) Repayment of short-term borrowings	170.90	750.32
(c) Dividends paid (including distribution tax)		
(d) Interest and other finance costs		
(e) Share issue expenses		
Total of (3)	2198.87	750.32
Total cash Outflows (1+2+3)	24375.26	44374.49
III Net (decrease) / increase in cash and cash equivalents (I - II)	583.24	(164.10)
Add : Cash and cash equivalents at the beginning of the period	403.40	567.50
IV Cash and cash equivalents at the end of the period	986.64	403.40

As per our Report of even date.

For A. F. KHASGIWALA & CO
Chartered Accountant

Sd/-
A. F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn. No.105114W

Place : Mumbai
Date : 29.05.2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
Manoj Kumar Sharma
Managing Director

Sd/-
Deepak Mathur
Director

Sd/-
Ketan Trivedi
Company Secretary

AUDITOR'S CERTIFICATE

We have examined the attached consolidated cash flow statement of **KSL and Industries Limited** for the year ended 31st March 2014. The Statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with Bombay Stock Exchanges and is based on and is in Agreement with the corresponding Statement of Profit and Loss account for the year and Balance Sheet as at 31.03.2014 of the company as per report to the members of the company.

For A.F.KHASGIWALA & CO.
Chartered Accountants

Sd/-
A.F. Khasgiwala
Partner
Membership No. 006491
Firm Regn No.105114W

Place : Mumbai
Date : 29.05.2014

ANNUAL REPORT 2013-2014

Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2014

Note :	(₹ in Lacs)	
Sr. No. Particulars	As at 31.03.2014	As at 31.03.2013
2.1 Share Capital		
1 AUTHORIZED CAPITAL		
250000000 Equity Shares of ₹ 4/- each.	10,000.00	10,000.00
(Previous Year 250000000 Equity Shares of ₹ 4/-each)		
50,00,000 Redeemable Preference Shares of ₹ 10/- each	500.00	500.00
(Previous year 5000000 Red. Preference Shares of ₹ 10/- each)		
4000000 Redeemable Preference Shares Of ₹ 100/-each (Of Subsidiary Company)	4,000.00	4,000.00
2 ISSUED, SUBSCRIBED & PAID UP CAPITAL		
100668325 Equity Shares of ₹ 4/- each	4,026.73	4,026.73
(Previous Year 100668325 Equity Shares of ₹ 4/- each)		
4000000 Redeemable Preference Shares Of ₹ 100/-each (Of Subsidiary Company)	4,000.00	4,000.00
Total	8,026.73	8,026.73

2.1(a) Details of share holders holding morethan 5% shares

Name of Shareholders	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ram Pratap Tayal	11204658	11.13	11204658	11.13
Jyotika Tayal	7025400	6.98	7025400	6.98
Vandana Tayal	7020000	6.67	7020000	6.67
Bhavana Tayal	6474600	6.43	6474600	6.43

2.1(b) Reconciliation of Number of Shares Outstanding as at 1st April 2013 and 31st March,2014 :

EQUITY SHARES :

Particulars	Number	(₹ in Lacs)
Shares outstanding as at the 1st April,2013	100668325	4,026.73
Add : Shares issued during the period	NIL	NIL
Shares outstanding as at 31 st March,2014	100668325	4,026.73

Note : 2.2 Reserve & Surplus

Sr. No. Particulars	As at 31.03.2014	As at 31.03.2013
(a) Reserves		
General Reserve	5,527.48	5,527.48
Securities Premium Account	25,136.62	25,136.62
Capital Reserve	3.76	3.76
Total (a)	30,667.86	30,667.86
(b) Surplus		
Profit & Loss Account		
Balance brought forward from previous year	(32,003.48)	7,358.03
Add: Net Profit/(Net Loss) for the period	(15,187.50)	(39,361.53)
Total (b)	(47,190.98)	(32,003.51)
Total	(16,523.12)	(1,335.61)

Note : 2.3 Long Term Borrowings

Sr. No Particulars	As at 31.03.2014	As at 31.03.2013
Secured		
Term Loan		
From Bank	33,721.20	40,974.80
ECB Loan	5,297.49	4,680.89
Fitl working capital loan		
FITL LOAN		
From Bank	4,269.03	5,692.62
Unsecured		
1 From Corporates	62,810.50	56788.50
2 MSTC Current A/c	1.99	1.99
3 FCCB Liability	89.91	79.29
Total	1,06,190.12	108218.09

KSL AND INDUSTRIES LIMITED

Note : 2.4 Deferred Tax Liabilities/Assets

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Depreciation on Fixed Assets	2,138.00	2,626.21
	Total	2,138.00	2,626.21

Note : 2.5 Short Term Borrowings

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
	Secured Term Loan		
	From Bank		
	Working Capital Loan	41,620.80	41,479.73
	FITL Term Loan		
	From Banks	375.11	687.08
	Total	41,995.91	42,166.81

Note : 2.6 Trades Payable

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Sundry Creditors for Material/Supplies	501.38	1,002.27
	Total	501.38	1,002.27

Note : 2.7 Other Current Liabilities

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Interest Accured & due	1,035.39	1,614.50
2	Advance from customer	7.35	5990.72
3	Other Liabilities	15,347.40	9,901.89
	Total	16,391.87	17,506.39

Note : 2.8 Short Term Provisions

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Provision for Taxation	0.00	0.43
2	outstanding Expenses payable	1146.56	868.65
3	Provison for Interest	1,490.49	
	Total	2637.05	869.08

Note : 2.9 Fixed Assets as on 31.03.2014

SR. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		At Cost 1.4.2013	Addition	Deduction	As on 31.03.2014	As on 1.4.2013	Deduction	During The Year	Disposal	Upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
1	Land & Building(emp)	31029.89	0	275	30754.89	2794.38	0	736.48	0	3530.86	27224.03	28235.51
2	Land & Site Development	4312.89	0	0	4312.89	0	0	0	0	0.00	4312.89	4312.89
3	Building	30231.23	0	0	30231.23	5363.13	0	1005.97	0	6369.10	23862.13	24868.10
4	Development property	15.51	0	0	15.51	8.65	0	0.25	0	8.90	6.61	6.86
5	Plant & Machinery	114807.02	0	25739.8	89067.22	63567.23	23166.61	10288.29	0	50688.91	38378.31	51239.79
6	Electric Installation	958.71	0	0	958.71	222.86	0	45.54	0	268.40	690.31	735.85
7	Furniture & Fixtures	380.13	0	0	380.13	192.08	0	23.12	0	215.20	164.93	188.05
8	Air Conditioner	159.69	0	0	159.69	65.22	0	10.07	0	75.29	84.40	94.47
9	Office Equipment	731.03	0	0	731.03	212.45	0	45.65	0	258.10	472.93	518.58
10	Computers	83.76	4.99	0	88.75	83.13	0	1.05	0	84.18	4.57	0.63
11	Vehicle	71.95	4.25	0	76.20	70.28	0	1.97	0	72.25	3.95	1.67
	Total	182781.81	9.24	26014.80	156776.25	72579.38	23166.62	12158.40	0.00	61570.00	95206.25	110202.41
	Capital Work in Porgress(tex)	1523.66	201.26	0	1724.92	0	0	0	0	0	1724.92	1523.65
	Capital Work in Porgress (rel)	1359.74	0.13	0	1359.87	0	0	0	0	0	1359.87	1359.75
	TOTAL	185665.21	210.63	26014.80	159861.03	72579.38	23166.62	12158.40	0.00	61570.00	98291.04	113085.81
	PREVIOUS TOTAL	184305.49	1990.08	630.33	185665.21	58882.84	0	13696.57	0.00	72579.38	110202.43	125422.63

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Note : 2.10 Non Current Investment		(₹ in Lacs)		
Sr. No	Particulars	No.of share	As at 31.03.2014	As at 31.03.2013
(a)	Investment in Equity Instruments;			
	(i) Quoted Shares			
	Asahi Fibres Ltd. of ₹ 1/- each fully paid up	16000000		160.00
	In others			
	Mori hanol Hydro-power ltd.of Rs.10/-each fully paid up	499996	50.00	50.00
	Tayal Energy Ltd. O Rs.10/-each fully paid up	469500	46.95	46.95
	Total	16,969,496	96.95	256.95
	Aggregate Book Value of Quoted Investments		160.00	160.00
	Aggregate Market Value of Quoted Investments		5336.00	5,336.00
	Aggregate Book Value of Unquoted Investments		1151.95	1,151.95

Note : 2.11 Others (Fixed Assets)		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
	Miscellaneous Expenditure	558.53	697.76
	(To the extent not adjusted or written off)		
	Less : Written off	139.23	139.23
	Total	419.30	558.53

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

Note : 2.12 Inventories		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
(a)	Textiles :		
	1 Raw Material	21286.03	26,145.63
	2 Work-in-Progress	1691.01	3,123.77
	3 Finished Goods	2,009.80	2,835.08
	4 Consumables	61.10	241.48
	Total (a)	25047.93	32,345.95
(b)	Real Estate :		
	1 Marol Maroshi Project	1,994.44	1,994.44
	2 Kandivali Project	1,536.84	1,536.84
	3 Nagpur Residential Project	0.00	0.00
	Total (b)	3,531.28	3,531.29
	Total (a+b)	28579.23	35,877.24

Note : 2.13 Trade Recievables		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Outstanding for more than six months		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	596.95	479.91
	c) Doubtful		
2	Others		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	26,869.90	22,318.73
	c) Doubtful		
	Total	27,466.85	22,798.65

KSL AND INDUSTRIES LIMITED

Note : 2.14 Cash & Cash Equivalent		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
(a)	Cash-in-Hand Cash Balance	67.55	20.13
	Sub Total (a)	67.55	20.13
(b)	Bank Balance In Current Account	643.47	104.30
	Sub Total (b)	643.47	104.30
(c)	Fixed Deposit	275.62	278.96
	Sub Total (c)	275.62	278.96
	Total [a + b + c]	986.64	403.40
Note : 2.15 Short Terms Loans and Advances		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Others Advance Recoverable in cash or in kind or for value to be considered good	4023.91	4,718.52
2	Security Deposit	0.00	0.32
3	Subsidiary receivable	824.01	717.10
	Total	4850.95	5,435.96
Note : 2.16 Revenue from Operations		(₹ in Lacs)	
Sr. No.	Particulars	Year ending 31.03.2014	Year ending 31.03.2013
(a)	Sale of Product : Less : Rebate/Discount	1,22,444.83 -	1,49,938.98 -
		1,22,444.83	1,49,938.98
(b)	Sale of Services :	2,576.53	1,413.00
(c)	Other Income :	-	-
	Total	1,25,021.36	1,51,351.98
Note : 2.17 Cost of Sales		(₹ in Lacs)	
Sr. No.	Particulars	Year ending 31.03.2014	Year ending 31.03.2013
a)	MATERIALS AND GOODS CONSUMED		
	Opening Stock	26,145.63	30,915.44
	Add : Purchases	91,491.85	1,05,408.05
		1,17,637.48	1,36,323.49
	Less : Closing Stock	21,285.46	26,145.63
	Raw Material Consumed Sub total (a)	96,352.03	1,10,177.86
b)	CHANGE IN INVENTORIES		
	Opening Stock :		
	Finished goods	2,835.08	3,790.84
	Work in progress (merge store consumable)	3,365.25	4,333.26
	Real Estate	3,531.28	-
	Total (i)	9,731.61	8,124.10
	Closing Stock :		
	Finished goods	2,009.80	2,835.08
	Work in progress	1,752.12	3,123.77
	Real Estate	-	-
	Total (ii)	7,293.22	5,958.85
	Sub total (b)(i-ii)	2,438.39	2,165.25

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Note : 2.17 Cost of Sales (Contd..)

Sr. No.	Particulars	Year ending 31.03.2014	Year ending 31.03.2013 (₹ in Lacs)
c)	DIRECT/PRODUCTIONS EXPENSES		
	Power & Fuel	7,080.34	12,194.84
	Stores, chemical & Packing Materials	1,813.71	3,250.54
	Labour Charges	3,586.46	8,383.56
	Processing & Job work charges	288.70	656.36
	Freight Charges	681.02	311.71
	Repair & Maintenance	518.73	1,036.80
	Water Charges	-	316.51
	Loading & Unloading Expenses	0.75	745.88
	Packing Charges	402.33	-
	Sub total	<u>13,969.72</u>	<u>26,896.20</u>
	Total (a+b+c)	<u><u>1,13,163.02</u></u>	<u><u>1,39,239.31</u></u>

Note : 2.18 Finance Cost

Particulars	Year ending 31.03.2014	Year ending 31.03.2013
Interest Cost	8,773.31	16,978.30
Other borrowing cost	0.89	108.66
Bank charges	10.44	0.01
Loss on foreign currency transaction	1,571.43	11,793.95
Total	<u><u>10,356.07</u></u>	<u><u>28,880.92</u></u>

Note : 2.19 Depreciation & Amortization Expenses

Particulars	Year ending 31.03.2014	Year ending 31.03.2013
Depreciation	12,158.40	13,696.57
Miscellaneous Expenses W/off	139.23	139.23
Total	<u><u>12,297.63</u></u>	<u><u>13,835.80</u></u>

Note : 2.20 Other Administrative Expenses

Particulars	Year ending 31.03.2014	Year ending 31.03.2013
Commission & Brokerage	36.02	42.84
Sales Promotion Expenses	76.44	578.08
Transportation Charges	175.38	338.56
Insurance Charges	23.01	59.08
Rent, Rates and Taxes	336.67	167.87
Directors Remuneration	6.28	6.00
Directors Sitting Fees	2.70	3.08
Legal, Professional & Consultancy Charges	492.81	354.12
Travelling & Conveyance	277.54	895.60
Auditors Remuneration	1.84	1.79
Telephone Charges	30.86	515.02
Salary & Staff Welfare Expenses	1817.36	1333.66
Security Charges	162.06	35.14
Postage & Telegram	101.44	128.75
Printing & Stationery	19.39	933.26
General Expenses	30.86	109.52
Motor Car Expenses	13.11	430.55
Electricity Charges (Net)	349.14	379.72
Repairs and Maintenance (Building)	150.69	959.78
Repairs and Maintenance (Others)	405.36	402.15
Advertisement Expenses	205.20	562.87
Office Expenses	146.50	399.77
Service Charges	6.47	56.12
Registration & filling Fees	16.40	1.38
Profession Tax	0.03	0.06
Charity & Donation	-	-
Listing Fees 1.99	1.99	0.87
Miscellaneous Expenses	0.75	18.06
Repairs and Maintenance others	-	202.46
Computer Expenses	0.59	347.62
Business Promotion Exp	-	-
Loss on sale of Machinery	1.45	-
Total	<u><u>4,888.35</u></u>	<u><u>9,263.78</u></u>

KSL AND INDUSTRIES LIMITED

Consolidated Financial Statements as on 31st March, 2014

1) SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

1.1 ACCOUNTING CONVENTION & CONCEPTS:

The financial statements have been prepared under the historical cost convention on an accrual basis and accordance with applicable mandatory Accounting Standard.

1.2 PRINCIPLE OF CONSOLIDATION:

- i) The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS-21) issued by the Institute of Chartered Accountants of India. The consolidated financial statements have been prepared on the following basis:
- ii) The financial statement of KSL and Industries Limited And its subsidiary companies have been consolidated on a line-by line basis by adding together the book values of like items of assets, liabilities, Income and expenses, after fully eliminating intra-group balances and intra-group transaction and are presented to the extent possible in the same manner as the company's separate financial statement
- iii) Notes on Accounts of the financial statement of the company and all the subsidiaries are set out in their respective financial statement
- iv) Actif Corporation Ltd (formerly known as Deccan Mill & infrastature Ltd was 100% subsidiary of the company) However Actif Corporation Ltd ceased to be a subsidiary company on account of dilution of company's share holding in Actif corporation Ltd due to further issue of equity shares capital by the said company. Later Actif corporation Ltd accerere became subsidiary company on account of control on the constitution of the Board of Directors of Actif corporation Ltd by the company. Since the company's share holding in Actif corporation Ltd is only 0.16% of the paid up capital of the Actif corporation Ltd ,In consolidated statements the said subsidiaries has been excluded.

1.3 FIXED ASSETS:

Fixed Assets are stated at cost less depreciation. The cost comprises the purchase price and other attributable costs.

1.4 DEPRECIATION:

Depreciation on fixed assets has been provided on Straight Line method at the rates prescribed in Schedule XIV to the Companies (Amendment) Act 1988 read with Section 205(2) (b) of the said Act on pro-rata basis uniformly in respect of all assets.

1.5 INVENTORIES:

Finished goods are valued at the lower of cost or net realisable value. Value of Stock-in-process is determined considering cost of material, labour and related overheads. Raw material and Consumables are valued at cost or market value, whichever is lower

2.21 Others

- a. The subsidiary companies considered in the consolidated financial statements are as under:

Name of the company	Country of Incorporation	% shareholding & Voting power
Kalameshwar Textile Mills Ltd.	India	100%
Actif Corporation Ltd	India	U/s 4(1)(a)

b. EARNING PER SHARE:

Basic and Diluted Earnings per Share is calculated as under:

	31.03.2014	31.03.2013
i. Net Profit available for Equity shareholder (₹ in lacs)	(15,187.50)	(39,361.51)
ii. Weighted average Number of Equity shares (nos.)	100668325	100668325
iii. Basic and diluted Earning per share (₹) (Face value ₹ 4 each)	(15.09)	(39.10)

- c. The company has Two business segment namely "Textiles & Real Estate", and others hence segment reporting as required under AS-17 issued by ICAI and made mandatory w.e.f. 1/04/2001 for certain business enterprises is applicable in case of company. The Segment wise details are as under :

- d. Figures of previous year have been re-grouped/re-arranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For A. F. KHASGIWALA & CO
Chartered Accountant

Sd/-
A. F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn. No.105114W

Place : Mumbai
Date : 29.05.2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
Manoj Kumar Sharma
Managing Director

Sd/-
Deepak Mathur
Director

Sd/-
Ketan Trivedi
Company Secretary

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**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT.1956
RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES FOR FINANCIAL YEAR 2013-14**

Name of the Subsidiary Company	Kalameshvar Textiles Mills Ltd.	ACTIF CORPN LTD (Formely Known Deccan Mills Real estate & infrastrusture Ltd
1. Financial Year of the Subsidiary Company	31st March, 2014	31st March, 2014
2. Date from which they became Subsidiary Company the subsidiary company:	19th November, 2003	6th June, 2006
3 (a) Number of shares held by "KSL and Industries Ltd." with its nominees in the subsidiary at the end of the financial year of the Company	1649938 Eq.sh.of Rs.100/-each.	49994 Eq.sh.of Rs.10/-each.
(b) Extent of Interest of holding company at the end of the financial year of subsidiary Company	100%	0.16%
DETAILS OF SUBSIDIARY COMPANY	(Rs. In Lacs)	(Rs. In Lacs)
1 Capital	1649.94	7125.72
2 Reserve	(1304.07)	(15933.80)
3 Total Assets	385.02	28032.94
4 Total Liabilities	385.02	28032.94
5 Details of Investment	0.00	0.00
6 Total Income	393.86	32331.90
7 Profit (Loss) Before Taxation	(17.21)	(5685.73)
8 Provision for taxation	0.00	0.00
9 Profit (Loss) after Taxation	(16.08)	(5535.42)

NOTES:

Annual Accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the head office of the holding company and of the subsidiary companies concerned.

ATTENDANCE SLIP
KSL AND INDUSTRIES LIMITED

Registered Office: Plot No.69A, Dhanu Udyog Industrial Area, Piperia, Silvassa (U.T.) - 396230

CIN : L17119DN1983PLC000074

(Please complete this slip and hand it over at the entrance of the Meeting Hall)

THIRTY SECOND ANNUAL GENERAL MEETING

Member's Name (in capital letters)

Regd. Folio No. No. of Shares held

DP. ID*	
---------	--

Client ID*	
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I hereby record my presence at the Thirty Second Annual General Meeting of the Company being held on Saturday, 19th July, 2014 at 12.30 p.m. at 65, Krishna Nagar, Samarvani, Silvassa (U.T.)

Signature of the Shareholder or Proxy

* Applicable for investors holding shares in electronic form.

----- CUT HERE -----

PROXY FORM
KSL AND INDUSTRIES LIMITED

Registered Office: Plot No.69A, Dhanu Udyog Industrial Area, Piperia, Silvassa (U.T.) - 396230

CIN : L17119DN1983PLC000074

DP. ID*	
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Regd. Folio No.	
-----------------	--

Client ID*	
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I/We of

..... being a Member/Members of the Company, hereby appoint

..... of in the District

of or failing him.....

of in the District of..... as my/our Proxy

to vote for me/us on my/our behalf at the Thirty Second Annual General Meeting of the Company to be held on Saturday, 19th July, 2014, at 12.30 p.m. at any adjournment thereof.

Signed this Day of 2014.

* Applicable for investors holding shares in electronic form.

Affix Re. 1/- Revenue Stamp

Note: The Proxy form duly completed and signed must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

