

KANSAL FIBRES LIMITED

Reg. Office: E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana - 141008

E mail Id: kansalfibersltd@gmail.com, Contact No. 09316444449

Website: www.kansalfibres.com, CIN NO. L17116PB1994PLC014457

Date: 03.11.2017

To
The BSE Limited
Ground Floor, P.J. Towers,
Dalal Street,
Mumbai-400001.

Scrip Code: 531205

Sub : Submission of Certificate under Regulation 34 of SEBI (LODR) Regulation, 2015

Dear Sir/Madam,

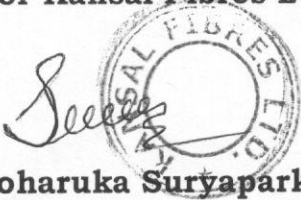
With reference to the captioned subject, please find attached herewith the Certificate under regulation 34 of SEBI (LODR) Regulation, 2015 for Annual Report of Financial year 2014-15.

Kindly take the above on your record and oblige.

Thanking you,

Yours Faithfully

For Kansal Fibres Ltd.



Loharuka Suryaparkash Vinod Kumar
Director
Din: 03564496

Kansal Fibres Limited

(CIN: L17116PB1994PLC014457)

ANNUAL REPORT

2014-15

Kansal Fibres Limited

NOTICE

Notice is hereby given that the Annual General Meeting of the members of KANSAL FIBRES LIMITED will be held on 30th September, 2015 at 11.00 A.M. at the Registered Office of the Company i.e. E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana - 141008 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31st March, 2015, balance sheet as on that date, Director's Report and the Auditor's report thereon.
2. To appoint Director in place of Mr. Doshi Piyushbhai Mahendrabhai who retires by rotation and being eligible offers himself for reappointment.
3. To re-appoint M/s. Vishves A Shah & Co., Chartered Accountants, Ahmedabad, as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting and to fix their remuneration for the financial year ending 31st March, 2016.

SPECIAL BUSINESS

4. Appointment of Ms. Anjali Ajay Mehra (DIN: 07162493), as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Ms. Anjali Ajay Mehra (DIN: 07162493), a non-executive Director of the Company, who has submitted declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 30th September, 2015 to 29th September, 2020 ."

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

Kansal Fibres Limited

4. Adoption of new articles of association of the company containing regulation in conformity with Companies Act, 2013:

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

“RESOLVED THAT pursuant to provision of section 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), rules and regulations made there under, the enabling provisions of the Memorandum and Articles of Association of the Company and subject to the requisite approvals, consents, permissions and/or sections as may be required if any, the draft regulations containing the Articles of Associations submitted to this meeting and duly initial be and are hereby approved and adopted in substitution and to the entire exclusion, of the regulations containing the existing Articles of Association of the Company;

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

By Order of the Board of Directors

Date : 19/08/2015

Place : Ludhiana

(Loharuka Surya Prakash)
Director
(Din: 03564496)

(Doshi Piyush Bhai)
Director
(Din: 00185127)

(Bipin Patel)
Director
(Din: 03190744)

Kansal Fibres Limited

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2015 to 30th September, 2015 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchanges.
3. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in demate form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
4. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM
5. **Voting through Electronic means:**

Pursuant to Section 108 of the Companies Act, 2013, read with the Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014 in pursuance with the directions issued by SEBI vide Circular No. CIR/CFD/DIL/6/2012 dated 13th July, 2014, the Company is pleased to provide the facility to Members to exercise their right at the

Kansal Fibres Limited

Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

PROCEDURE FOR E-VOTING

In case of members receiving AGM Notice by e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" 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) 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.
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

Kansal Fibres Limited

	format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <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 "KANSAL FIBRES LIMITED"

(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.

Kansal Fibres Limited

(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 Corporate.
- 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.

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 27th September, 2015 (11:00 A.M.) and ends on 29th September, 2015 (05:00 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 (i.e. the record date), being 25th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 25/09/2015, i.e. Cut off date, are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 27th September, 2015 (11:00 A.M.) and ends on 29th September, 2015 (05:00 P.M.).

The Company has appointed Rupal Pranav Patel, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote

Kansal Fibres Limited

through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

6. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
7. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participant(s), with whom they maintain their demat accounts, will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their Depository Participants immediately.
8. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Purva Sharegistry (India) Private Limited, Registrar and Share Transfer agent of the Company immediately.
9. Members are requested to note that as per Section 205A of the Companies Act, 1956, dividends not encashed / claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.
10. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Purva Sharegistry (India) Private Limited, Registrar and Share Transfer agent of the Company.
11. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
12. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

By Order of the Board of Directors

Date : 19/08/2015

Place : Ludhiana

**(Loharuka Surya Prakash)
Directo
(Din: 03564496)**

**(Doshi Piyush Bhai)
Director
(Din: 00185127)**

**(Bipin Patel)
Director
(Din: 03190744)**

Kansal Fibres Limited

Annexure to Notice

Notes on directors seeking appointment/re-appointment as required under Clause 49 of the Listing Agreement entered into with Stock Exchanges:

ITEM NO. 2

Name	:	Mr. Doshi Piyushbhai Mahendrabhai
Date of birth	:	09/06/1965
Qualification	:	B.Com
Expertise	:	20 years of experience in construction and Finance
Director of the Company since	:	30/09/2014
Directorship in other public limited companies	:	4
Membership of Committees of other public limited companies	:	1
No. of Shares held in the Company	:	Nil

ITEM NO. 4

Ms. Anjali Ajay Mehra, Director of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act, In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Directors and they are independent of the management.

Ms. Anjali Ajay Mehra is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act and have given their consent to act as Directors.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the members at the registered office of the company during normal business hours on any working day, excluding Saturday.

Brief resume and other details of the Independent Directors whose appointment is proposed are provided in the annexure to the Explanatory statement attached herewith.

Kansal Fibres Limited

Ms. Anjali Ajay Mehra is deemed to be interested in the resolutions set out respectively at Item No. 4 of the Notice with regard to their respective appointments.

The Board recommends the said resolutions for your approval.

Save and except the above, none of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolutions.

Name	:	Ms. Anjali Ajay Mehra
Date of birth	:	03/10/1973
Qualification	:	B.Com
Expertise	:	9 years of experience in marketing and finance
Director of the Company since	:	21/04/2015
Directorship in other public limited companies	:	One
Membership of Committees of other public limited companies	:	Nil
No. of Shares held in the Company	:	Nil

Item No.5

The existing Articles of Association (“Articles”) of the Company are based on the Companies Act, 1956 and several regulations in the existing articles contain reference to the sections of Companies Act, 1956. Some regulations in the existing articles are no longer in conformity with the provisions of Companies Act, 2013 (“Act”)

With the enactment of Companies Act, 2013, several regulations of the existing articles of the Company required alteration and/or deletion. Given this position, it is considered expedient to wholly replace the existing articles by new set of articles.

The draft articles shall be open for inspection by the members at the registered office of the Company on all working days (except Saturdays, Sundays and public holidays) between 11:00 a.m. to 1:00 p.m. up to the date of this Annual General Meetings.

None of the directors or Key managerial personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the said resolution.

Kansal Fibres Limited

The Board of the Directors recommends the special resolution set out at item no. 5 of the notice for approval by members

By Order of the Board of Directors

Date : 19/08/2015

Place : Ludhiana

(Loharuka Surya Prakash)
Director
(Din: 03564496)

(Doshi Piyush Bhai)
Director
(Din: 00185127)

(Bipin Patel)
Director
(Din: 03190744)

Kansal Fibres Limited

DIRECTORS' REPORT

To
The Members
KANSAL FIBRES LIMITED

The Directors' present the Annual report on the business and operations of your Company for the year 2014-2015.

FINANCIAL PERFORMANCE OF THE COMPANY:

Particulars	Year Ended 31.03.2015 (₹)	Year Ended 31.03.2014 (₹)
Gross Sales/Income	67,559
Less Depreciation	1,002
Profit/(Loss) before Tax	(331,602)	(292,361)
Taxes/Deferred Taxes
Profit/(Loss) After Taxes	(331,602)	(292,361)
P& L Balance b/f from previous year	(62,288,730)	(61,996,369)
Profit/ (Loss) carried to Balance Sheet	(61,485,162)	(62,288,730)

During the year under review Company has not earned any profit as compared to previous year company has earned Rs. 67,559. After making all necessary provisions for current year and after taking into account the current year net profit and total provisions for taxation, the surplus carried to Balance Sheet is (61,485,162)

NATURE OF BUSINESS

The Company is engaged in the trading of textile material on retail basis. There was no change in the nature of the business of the Company during the year under review.

Due to sluggish trend in the Indian Economy and textile market, the Company could not make any turnover during the year under review. However, the management and marketing team of the Company is hopeful for the positive result in the coming years.

REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company does not have Subsidiaries, Associate and Joint Venture Companies. Hence, details for the same are not required to mention here.

TRANSFER TO RESERVES

Out of the profits available for appropriation, no amount has been transferred to the General Reserve.

Kansal Fibres Limited

DIVIDEND:

In view of losses, your Directors do not recommend any dividend during the year.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2015 was Rs. 56,729,000.

The company has forfeited 227800 partly paid Equity Shares of F.V Rs.10/- each (Rs.5/- paid up) due to non-payment of allotment/call monies on 22/10/2014. Approval from the same was received from BSE Limited on 24/03/2015.

A) Issue of equity shares with differential rights:

During the year under review, the Company has not issued any shares with differential voting rights.

B) Issue of sweat equity shares

During the year under review, the Company has not issued any sweat equity shares.

C) Issue of employee stock options

During the year under review, the Company has not issued any sweat equity shares.

D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

FINANCE

Company has not borrowed any Loan from Bank or Financial Institution during the year under review.

FIXED DEPOSITS

The Company has not accepted or renewed any deposits during the year. There are no outstanding and overdue deposits as at 31st March, 2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

EMPLOYEE RELATIONS

Employee relations throughout the Company were harmonious. The Board wishes to place on record its sincere appreciation of the devoted efforts of all employees in advancing the Company's vision and strategy to deliver good performance.

Kansal Fibres Limited

BUSINESS RISK MANAGEMENT

The Company has laid down a Risk Management Policy and identified threat of such events which if occurs will adversely affect either / or, value to shareholders, ability of company to achieve objectives, ability to implement business strategies, the manner in which the company operates and reputation as "Risks". Further such Risks are categorized in to Strategic Risks, Operating Risks & Regulatory Risks. A detailed exercise is carried out to identify, evaluate, manage and monitoring all the three types of risks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. During the year under review, the company retained external audit firm to review its existing internal control system with a view of tighten the same and introduce system of self certification by all the process owners to ensure that internal controls over all the key business processes are operative. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

DIRECTORS:

a) Changes in Directors and Key Managerial Personnel:

Mr. Doshi Piyushbhai Mahendrabhai will retire at the forthcoming Annual General Meeting of the Company and being eligible, offer himself for reappointment.

The Company has appointed Mr. Doshi Piyushbhai Mahendrabhai as an director of the Company pursuant to section 149 of Companies Act, 2013 on 30/09/2014.

The Company has appointed Mr. Loharuka Suryaparkash Vinod Kumaras an director of the Company pursuant to section 149 of Companies Act, 2013 on 30/09/2014.

During the year under review, Company has accepted resignation of Mr. Ashok Goyal from the Directorship of the Company on 29/11/2014.

During the year under review, Company has accepted resignation of Ms. Aruna Kansal from the Directorship of the Company on 29/11/2014.

Kansal Fibres Limited

During the year under review, Company has accepted resignation of Mr. Rakesh Kansal from the Directorship of the Company on 29/11/2014.

During the year under review, Company has accepted resignation of Mr. Mayur Manubhai Shah from the Directorship of the Company on 21/04/2015.

The Company has appointed Ms. Anjali Ajay Mehra as an additional independent woman director of the Company pursuant to section 149 of Companies Act, 2013 on 21/04/2015

b) Declaration by an Independent Director(s) and reappointment, if any

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

c) Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

d) Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

e) Number of Meetings of the Board of Directors and Audit Committee

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year Twenty Four Board Meetings and one Independent Directors' meeting and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

PARTICULARS OF EMPLOYEES:

None of the employees of the Company drew remuneration of ₹ 60,00,000/- or more per annum / ₹ 5,00,000/- or more per month during the year. Hence, no information is required to be furnished as required under Rule, 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Kansal Fibres Limited

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

There is no related party transactions made during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

AUDITORS:

A. Statutory Auditors

The Company's Auditors, M/s. Vishves A Shah & Co., Chartered Accountants, Ahmedabad who retires at the ensuing Annual General Meeting of the Company are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company. As required under Clause 49 of the Listing Agreement, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Kansal Fibres Limited

B. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Preeti Jain Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure -A".

Qualification in Secretarial Audit:

- a) The Company has not serving notice for trading window closure to BSE during the year under review. However, Directors and promoters of the company has not made any transaction in securities of the company during the year under review.
- b) The Company has not appointed KMP of the Company. But the company has established adequate internal control procedure to comply with applicable laws, rules and regulations as amended from time to time.

The company is in process of complying with all requirement as mentioned in Secretarial Audit Report.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Your Company is committed to the tenets of good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance as laid down in Clause 49 of the Listing Agreement are complied with.

As per Clause 49 of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report, Management Discussion and Analysis and the Auditor's Certificate regarding compliance of conditions of Corporate Governance are attached separately and form part of the Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 is nil.

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure-B".

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of

Kansal Fibres Limited

Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2014-15, the company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31 March, 2015.

ACKNOWLEDGMENT

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

By Order of the Board of Directors

Date : 30/05/2015

Place : Ludhiana

**(Loharuka Surya Prakash)
Director
(Din: 03564496)**

**(Doshi Piyush Bhai)
Director
(Din: 00185127)**

**(Bipin Patel)
Director
(Din: 03190744)**

Annexure - A
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Kansal Fibres Limited (CIN: L17116PB1994PLC014457)
E-10/7586/A, Opp. Lane Pooja Intl,
Bahadur Kay Road, Dana Mandi,
Ludhiana - 141008

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kansal Fibres Limited**. (hereinafter called "the company") for the audit period covering the financial year ended on 31st March, 2015. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company , for the financial year ended on 31st March, 2015, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance of the following to the extent applicable:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

I have relied upon the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under applicable Acts, Laws and Regulations to the Company.

On the basis of our examination and representation made by the Company we report that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above and there are no material non-compliances that have come to our knowledge except non compliance in respect of:

- a) Non filing/serving of notice for trading window closure as required under clause 3.2.1 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 during the year under review.
- b) During the year under review, the Company has not appointed Key Managerial Personnel of the Company as required under section 203 read

with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- c) The company has appointed Mr. Suryaparkash Loharuka as a Managing Director of the Company in Annual General Meeting which was held on 30/09/2014. But the company has not filed required forms with the Registrar of Companies.

We Further Report that, there were no actions/ events in pursuance of:

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014

requiring compliance thereof by the Company during the period under review

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

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

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

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

I further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs except as mentioned below:

1. The company has forfeited 227800 partly paid Equity Shares of F.V Rs.10/- each (Rs.5/- paid up) due to non-payment of allotment/call monies on 22/10/2014. Approval from the same was received from BSE Limited on 24/03/2015.
2. The company has submitted revised shareholding pattern for the quarter ended on March 2014 to September, 2014 on 4th November, 2014. In that reply, the company has received mail from BSE Limited regarding exact changes carried out in Shareholding pattern of above mentioned quarter. The company has submitted answer of the same to BSE Limited along with required enclosures wide its letter dated 24th December, 2014.

Date: 30/05/2015

Place: Jaipur

Signature: Sd/-

Name of Practicing Company Secretary: Preeti Jain

C. P. No.: 10118

ACS No. 28265

Note: This report is to be read with our letter of even date which is annexed as ANNEXURE-I and forms an integral part of this report.

Annexure I

To,
The Members,
Kansal Fibres Limited (CIN: L17116PB1994PLC014457)
E-10/7586/A, Opp. Lane Pooja Intl,
Bahadur Kay Road, Dana Mandi,
Ludhiana - 141008

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

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

Date: 30/05/2015

Place: Jaipur

Signature: Sd/-

Name of Practicing Company Secretary: Preeti Jain

C. P. No.: 10118

ACS No. 28265

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

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L17116PB1994PLC014457
2.	Registration Date	20/04/1994
3.	Name of the Company	Kansal Fibres Ltd.
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	Address: E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana - 141008 Contact No.: 09316444449 E-mail id: kansalfibersltd@gmail.com Website: www.kansalfibres.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Name: Purva Sharegistry (India) Pvt. Ltd. Address: Unit no. 9 , Shiv Shakti Ind. Estt., J .R. Boricha marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai 400 011 Contact No.: 91-22-2301 6761 / 8261 Fax No.: 91-22-2301 2517 E-mail id: busicomp@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. N	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
	Trading of textile material on retail basis	4751	-----

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

(No. of Companies for which information is being filled)

S. N o.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
1					
2	Not Applicable				
3					

i) Others (specify)									
Sub-total (B)(1):-	0	490000	490000	8.30	0	490000	490000	8.64	0.33
2. Non-Institutions									
a) Bodies Corp.	3900	329900	333800	5.66	3900	307600	311500	5.49	-0.17
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	58500	2578300	2636800	44.69	69600	2436100	2505700	44.17	-0.52
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	252200	624400	876600	14.86	275900	526300	802200	14.14	-0.71
c) Others (HUF)	0	20400	20400	0.35	0	20400	20400	0.36	0.01
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	314600	3553000	3867600	65.54	349400	3290400	3639800	64.16	-1.38
Total Public Shareholding (B)=(B)(1)+ (B)(2)	314600	4043000	4357600	73.85	349400	3780400	4129800	72.80	-1.05
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0.00	0
Grand Total (A+B+C)	314600	5586100	5900700	100	349400	5323500	5672900	100.00	0.00

** The company has forfeited 227800 partly paid Equity Shares of F.V Rs.10/- each (Rs.5/- paid up) due to non-payment of allotment/call monies on 22/10/2014. Approval from the same was received from BSE Limited on 24/03/2015.

B) Shareholding of Promoter-

SN	Share holder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in shareholding during the year**
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	Laxmi Edifice Private Ltd.	1543100	26.15	1543100	27.20	1.05

** The company has forfeited 227800 partly paid Equity Shares of F.V Rs.10/- each (Rs.5/- paid up) due to non-payment of allotment/call monies on 22/10/2014. Approval from the same was received from BSE Limited on 24/03/2015.

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year**	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Laxmi Edifice Private Ltd.				
	At the beginning of the year	1543100	26.15	1543100	27.20
	Date wise Increase / Decrease in Shareholding during the year	-----	-----	-----	-----
	At the end of the year	1543100	26.15	1543100	27.20

** The company has forfeited 227800 partly paid Equity Shares of F.V Rs.10/- each (Rs.5/- paid up) due to non-payment of allotment/call monies on 22/10/2014. Approval from the same was received from BSE Limited on 24/03/2015.

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

SN	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Punjab State Industrial Devl. Corp.	290000	4.91	290000	5.11
2	Bank of Baroda	200000	3.39	200000	3.52
3	Money Growth Investment Consultant	65800	1.12	65800	1.15
4	SSG Fincom (P) Ltd	65800	1.12	65800	1.15
5	V A Mehta	65800	1.12	65800	1.15
6	P L Lamba	65800	1.12	65800	1.15
7	Sunil Lamba	65800	1.12	65800	1.15
8	Shashi Gupta	63400	1.07	63400	1.11
9	M/s Hi- Tech Foam Pvt. Ltd.	56000	0.94	56000	0.98
10	M/S Yelena Exports Pvt. Ltd.	50000	0.84	50000	0.88
	Total	988400	16.75	988400	17.35

E) Shareholding of Directors and Key Managerial Personnel:

S N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year	Cumulative Shareholding during the year
--------	--	---	---

	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL				
At the beginning of the year				
Date wise Increase / Decrease in Shareholding during the year				
At the end of the year				

F) INDEBTEDNESS -

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	4429597	Nil	4429597
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	4429597	Nil	4429597
Change in Indebtedness during the financial year				
* Addition	Nil	169000	Nil	169000
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	169000	Nil	169000
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	4598597	Nil	4598597
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	4598597	Nil	4598597

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

The company has not given any remuneration to any director of the company during the year under review.

B. Remuneration to other directors:

The company has not given any remuneration to any director of the company during the year under review.

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

The company has not given any remuneration to any director of the company during the year under review.

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment	Nil				
Compounding					
B. DIRECTORS					
Penalty					
Punishment	Nil				
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment	Nil				
Compounding					

Kansal Fibres Limited

REPORT ON CORPORATE GOVERNANCE (Pursuant to Clause 49 of the Listing Agreement)

The Board of Directors of the Company gives due support to the principles behind the good Corporate Governance. Given below is a report on Corporate Governance:

A. Mandatory Requirements

1. Company's philosophy on code of Corporate Governance

The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the law coupled with total adherence to highest norms of business ethics. These two main drivers, together with the company's ongoing contributions to the local communities, it operates in through meaningful and relevant Corporate Social Responsibility initiatives add to enhance the stakeholders value.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our plant and facilities, transparency in decision making process and fair & ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices are being followed since the inception and have contributed to the company's sustained growth.

2. BOARD OF DIRECTORS:

2.1 Composition of Board of Directors as on date of Report:

The Board of Directors as at 31st March, 2015 comprises of Three directors comprises of a, two are Executive and One non-executive director. Mr. Loharuka Suryaprakash Vinod kumar, Active Director of the Company and he conducts the day to day management of the Company, subject to the supervision and control of the Board of Directors. The independent directors on the Board are senior, competent and highly respected persons from their receptive fields.

Sr No.	Name of the Director	Category	No. of Directorship(s) held in Indian public & private Limited Companies	Committee(s) position	
				Member	Chairman
1.	Bipin Mangaldas Patel	Non Executive	1	1	2
2.	Anjali Ajay Mehra	Non Executive	1	NIL	NIL
3.	Doshi Piyushbhai Mahendrabhai	Executive	4	1	1
4.	Loharuka Suryaparkash Vinod Kumar	Executive	2	NIL	NIL

Kansal Fibres Limited

2.2 RESPONSIBILITIES OF THE BOARD:

The responsibility such as policy formulation, performance review and analysis and control, direction and management of the affairs of the company is vested in the Board of Directors presided over by the Chairman and Managing Director. The Board has delegated some of its powers to the executives of the company. The Board reviews from time to time such delegated powers and their utilization for effective functioning of the Company.

2.3 MEETING AND ATTENDANCE RECORD OF DIRECTORS:

The meetings of the Board of Directors are held at periodical intervals and are generally at the registered office of the Company. The meeting dates are decided well in advance and the agenda and notes on agenda are circulated in advance to the directors. All material information is incorporated in the notes on agenda for facilitating meaningful and focused discussion at the meeting. Where it is not perusable to attach supporting or relevant documents to the agendas, the same is tabled before the meeting. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Senior Management persons are often invited to attend the Board Meetings and provide clarifications as and when required.

During the year under review, the Board met 24 (Twenty Four) times on the following dates:

05/04/2014	16/04/2014	18/04/2014	30/05/2014	09/07/2014	17/07/2014
19/07/2014	23/07/2014	27/07/2014	07/08/2014	14/08/2014	15/09/2014
30/09/2014	07/10/2014	15/10/2014	18/10/2014	21/10/2014	22/10/2014
03/11/2014	28/11/2014	29/11/2014	20/01/2015	13/02/2015	20/02/2015

Extra Ordinary General Meeting:

No Extra Ordinary General Meeting was held during the year under review.

Attendance of Directors at Meetings of Board of Directors and last AGM:

Name of the Director	Designation	Category	No. of Board meetings attended	Attendance at last AGM
Rakesh Kansal*	Managing Director	Executive	18	Yes
Aruna Kansal*	Director	Executive	18	Yes
Ashok Goyal*	Director	Non Executive	18	Yes
Bipin Patel	Director	Non Executive	22	No
Mayur Shah **	Director	Non Executive	16	No
Doshi Piyushbhai	Director	Executive	10	No

Kansal Fibres Limited

Loharuka Suryaprakash	Director	Executive	10	No
Anjali Ajay Mehra ***	Director	Additional/ Independent Director	1	No

* Resigned on 29/11/2014

** Resigned on 03/11/2014

*** Appointed on 21/04/2015

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on March 31, 2015, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarisation program. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides information relating to the financial performance of the Company and budget and control process of the Company.

EVALUATION OF THE BOARD'S PERFORMANCE

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as

Kansal Fibres Limited

attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

In terms of Clause 49 of the Listing Agreement, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

PREVENTION OF INSIDER TRADING

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 1992, the Board has adopted the said codes and same has been placed at website of the company i.e. www.kansalfibres.com

3. COMMITTEE OF BOARD:

The Company had Three Board Committees. These are

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
(Share Transfer & Shareholders/Investor Grievance Committee)

All the decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committee is taken by the Board of Directors. Details of the role and composition of these Committees are provided below:

3.1 AUDIT COMMITTEE:

Composition:

As on 31-03-2015, the Audit Committee comprised of three Directors namely:

Mr. Bipin Patel	Chairman	Director
Mr. Loharuka Suryaparkash Vinod Kumar	Member	Director
MR. Doshi Piyushbhai Mahendrabhai	Member	Director

Kansal Fibres Limited

- Mr. Bipin Patel Appointed as Chairman of the Audit Committee in place of Mr. Mayur Shah w.e.f. 29/11/2014.

The Audit Committee of the Board of Directors, Inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

The audit committee while reviewing the Annual Financial Accounts ensures compliance of the Accounting Standard (AS) issued by the Institute of Chartered Accountants of India.

TERMS OF REFERENCE:

The scope of activities of the Audit Committee includes the following:

A. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

B. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

C. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

D. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Qualifications in the draft audit report;

E. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

F. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of

Kansal Fibres Limited

funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

- G. Review and monitor the auditor's independence and performance and effectiveness of audit process;
- H. Approval or any subsequent modification of transactions of the company with related parties;
- I. Scrutiny of inter-corporate loans and investments;
- J. Valuation of undertakings or assets of the company, wherever it is necessary;
- K. Evaluation of internal financial controls and risk management systems;
- L. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- M. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- N. Discussion with internal auditors of any significant findings and follow up there on;
- O. 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;
- P. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Q. 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;
- R. To review the functioning of the Whistle Blower mechanism;
- S. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

Kansal Fibres Limited

T. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

U. Explanation (i): The term “related party transactions” shall have the same meaning as provided in Clause 49(VII) of the Listing Agreement.

Executive summary of the Audit Committee Meetings are placed before the immediate next Board Meetings held after the Audit Committee for deliberations and the full minutes of the same are placed before the following Board Meeting for records. The Board of Directors, regularly appraised on the recommendations of the Audit Committee, further, at the beginning of the financial year, the Committee discuss the plan for the internal audit and statutory audit.

Dates of the Audit Committee Meetings are fixed in advance and agenda is circulated to the Directors at least seven days before the meeting.

As required under Clause 49(III) (E) of the Listing Agreement, the Audit Committee had reviewed the following information:

- Management Discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions submitted by management.
- Management letters/letters of internal controls, weaknesses issued by the Statutory Auditors.
- Internal Auditors Reports relating to internal control weaknesses; and
- The Appointment, removal and terms of remuneration of the internal auditors.

The Audit Committee has the following powers:

- to investigate any activity within its terms of reference.
- to seek any information from any employee.
- to obtain outside legal and professional advice.
- to secure attendance of outsiders with relevant expertise, if it considers it necessary.

The Audit Committee invites such of the executives as it considers appropriate (Particularly the head of the finance function), representatives of the statutory Auditors.

During the year under review, the 4 Audit Committee was held during Financial Year 2014-15. The dates on which the said meetings were held as follows:

30/05/2014	14/08/2014	28/11/2014	13/02/2015
------------	------------	------------	------------

Kansal Fibres Limited

3.2 Nomination and Remuneration Committee:

The Remuneration Committee reviewing the overall compensation policy, service agreements and other employments and other employment conditions of Managing / Whole time Directors and Managing Director:

(a) EXECUTIVE DIRECTORS:

Composition:

As on 31-03-2015, the Audit Committee comprised of three Directors namely:

Mr. Bipin Patel	Chairman	Director
Mr. Loharuka Suryaparkash Vinod Kumar	Member	Director
MR. Doshi Piyushbhai Mahendrabhai	Member	Director

During the year Company has not paid any remuneration to the Directors of the Company during the financial year 2014-2015 because of the no business of the Company.

(b) NON-EXECUTIVE DIRECTORS:

Non-Executive Directors have not been paid any remuneration, they had paid only Sitting Fees, being a Non Executive director had not paid any Sitting Fees for the financial year.

No meeting of Remuneration Committee was held during the year.

Company has not paid any Salary or Perquisites to any Director of the Company for the financial year ended 31st March, 2015

The Company has not paid salary to any directors of the Company

Remuneration Policy

Payment of remuneration to the Managing/Whole Time Director is governed by the respective Agreements executed between them and the company. These agreements were approved by the Board and the Shareholders. Their Remuneration structure comprises salary, perquisites and allowances.

Terms of reference of the Committee inter alia, include the following:

Nomination of Directors / Key Managerial Personnel / Senior Management*

1. To evaluate and recommend the composition of the Board of Directors;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
3. Consider and recommend to the Board appointment and removal of directors, other persons in senior management and key managerial personnel (KMP);

Kansal Fibres Limited

4. Determining processes for evaluating the effectiveness of individual directors and the Board as a whole and evaluating the performance of individual Directors;
5. To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
6. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
7. To review HR Policies and Initiatives.

Remuneration of Directors / Key Managerial Personnel / Senior Management*/ other Employees

1. Evolve the principles, criteria and basis of Remuneration policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, Senior Management and other employees of the Company and to review the same from time to time.
2. The Committee shall, while formulating the policy, ensure the following:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

* Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

NOMINATION & REMUNERATION POLICY:

1. Purpose of this Policy:

The company has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and the provisions of Clause 49.

The purpose of this Policy is to establish and govern the procedure applicable:

- a) To evaluate the performance of the members of the Board.
- b) To ensure that remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Kansal Fibres Limited

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Definitions:

Independent Director means a director referred to in Section 149(6) of the Act and the Clause 49, as amended from time to time.

Key Managerial Personnel (the "KMP") shall mean "Key Managerial Personnel" as defined in Section 2(51) of the Act.

Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Clause 49.

Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or in the Clause 49 or the Accounting Standards shall have the meanings assigned to them in these regulations.

Composition of the Committee:

The composition of the Committee is / shall be in compliance with the Act, Rules made there under and the Clause 49, as amended from time to time.

4. Role of the Committee:

The Committee shall:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;
- c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- e) To devise a Policy on Board diversity.

Kansal Fibres Limited

5. Criteria for Determining the followings:-

5.1 Qualifications for appointment of Directors (including Independent Directors)

- a) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- b) Their financial or business literacy/skills;
- c) Their textile industry experience;
- d) Other appropriate qualification/experience to meet the objectives of the Company;
- e) As per the applicable provisions of Companies Act, 2013, Rules made thereunder and Clause 49 of Listing Agreement.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

5.2 Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
- Actively update their knowledge and skills with the latest developments in the railway/heavy engineering/infrastructure industry, market conditions and applicable legal provisions;
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities;
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and Clause 49 of the Listing Agreement as amended from time to time.

5.3 Independence Standards

The following would be the independence review procedure and criteria to assist the Committee to evaluate the independence of Directors for recommending to the Board for appointment. A Director is independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates or any member of senior management. "Affiliate" shall mean any company or other entity that controls, is controlled by, or is under common control with the Company.

Kansal Fibres Limited

Also, the candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and the Listing Agreement with the Stock Exchanges. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relating to a director's independence.

Independence Review Procedures

1. Annual Review

The director's independence for the independent director will be determined by the Board on an annual basis upon the declaration made by such Director as per the provisions of the Companies Act, 2013 read with Rules thereon and the Listing Agreement.

2. Individual Director's Independence Determinations

If a director nominee is considered for appointment to the Board between Annual General Meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and the Listing Agreement.

3. Notice of Change of Independent Status

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

5.4 Criteria for appointment of KMP/Senior Management

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;
- To practice and encourage professionalism and transparent working environment;
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
- To adhere strictly to code of conduct

5.5 Term

The Term of the Directors including Managing / Wholetime Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the Clause 49, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

Kansal Fibres Limited

5.6 Evaluation

The Committee shall carry out evaluation of performance of every Director.

The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

5.7 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the

Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

6. Remuneration of Managing / Whole-time Director, KMP and Senior Management

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole time Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

7. Remuneration to Non-executive / Independent Director

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.

3.3 Share Transfer & Shareholders'/Investor Grievance Committee:

The Share Transfer & Shareholders'/Investor Grievance committee comprises as under:

1	Mr. Piyushbhai Mahendrabhai Doshi	Chairman	Director
2	Mr. Bipin Patel	Member	Director
3	Mr. Loharuka Suryaprakash Vinod kumar	Member	Director

Mr. Piyushkumar Mahendrabhai Doshi Appointed as Chairman of the Committee in place of Ms. Aruna Kansal w.e.f. 29/11/2014

Kansal Fibres Limited

The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/number of pending share transfer transactions (as on 31st March, 2015 is given below:-

Complaints Status: 01.04.2014 to 31.03.2015

- Number of complaints received so far : 0
- Number of complaints solved : 0
- Number of pending complaints : 0

4. GENERAL BODY MEETING:

a. Location and time where last three AGMs were held:

Meeting	Year	Venue of AGM	Date	Time	Whether Special resolution passed
Annual General Meeting	2012	281, Industrial Area-A, Ludhiana-141003, Punjab	28 th September, 2012	10.30 A.M.	Yes
Annual General Meeting	2013	281, Industrial Area-A, Ludhiana-141003, Punjab	27 th September, 2013	10.30 A.M.	No
Annual General Meeting	2014	281, Industrial Area-A, Ludhiana-141003, Punjab	30 th September, 2014	11:30 A.M.	Yes

Details for Special Resolution had passed in last AGM:

2012:

- 1) Appointment of Mr. Bipin Mangaldas Patel as Director of the Company under section 257 of Companies act, 1956.
- 2) Appointment of Mr. Mayur Manubhai Shah as Director of the Company under section 257 of Companies act, 1956.

2013: NIL

2014:

- 1) Appointment of Mr. Piyushbhai Mahendrabhai Doshi as an Executive Director of the Company under Section 152 of the Companies Act, 2013.
- 2) Appointment of Mr. Surya Prakash Vinodkumar Loharuka as an Executive Director of the Company under Section 152 of the Companies Act, 2013.
- 3) Appointment of Mr. Surya Prakash Vinodkumar Loharuka as Managing Director of the Company under Section 196,197,198 and 203 of the Companies Act, 2013.

Kansal Fibres Limited

5. DISCLOSURES:

a. Materially significant related party transactions:

There were no significant or material related party transactions that have taken place during the year which have any potential conflict with the interest of the company at large. The detailed related party information and transactions have been provided in of Note No. 17 (6) of Notes to Accounts.

b. During the last three Years, there were no penalties, strictures imposed by either SEBI or stock Exchange or any statutory authority for non- Compliance of any matter related to the capital market.

6. CEO/CFO CERTIFICATION:

(Under Clause 49(V) of Listing Agreement)

We Certify that --

a. We have reviewed the financial statements and the cash flow statement for the year 2014-15 and that to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 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 our knowledge and belief, no transactions entered into by the Company during the year 2014-15 which are fraudulent, illegal or violative of the Company's code of conduct;

c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee -

- Significant changes in internal control over the financial reporting during the year 2014-15,
- Significant changes in accounting policies during the year 2014-15 and that the same have been disclosed in the notes to the financial statements; and
- Instances of significant fraud of which we 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 the financial reporting.

Kansal Fibres Limited

7. MEANS OF COMMUNICATIONS:

The Quarterly Unaudited Financial Results and other presentation as to the Company's Performance etc., are made available to the institutional investors/Financial Analysts as and when felt expedient.

The Company's financial results and officials news releases are displayed on the Company's website i.e www.kansalfibres.com

The Management discussion and analysis forms part of the Annual Report.

WHISTLE BLOWER POLICY:

Recently, the Security & Exchange Board of India has also prescribed the adoption by all listed companies, of a Whistle Blower Policy as a non-mandatory requirement. The company has adopted a Whistle Blower Policy, which affords protection and confidentiality to Whistle blowers.

The Audit Committee Chairman is authorized to receive Protected Disclosures under this Policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

No personnel have been denied access to the Audit Committee. As of March 31, 2015, no Protected Disclosures have been received under this policy.

8. GENERAL SHAREHOLDER INFORMATION:

- a. Annual General Meeting: Date, Time and venue: 30th September, 2015, at 11.00 a.m. at the Registered Office of the Company.
- b. Financial Year: 1st April 2014 to 31st March, 2015.
- c. Financial Calendar:
 - i. 1st quarterly results - Second week of August, 2015.
 - ii. 2nd quarterly results - Second week of November, 2015.
 - iii. 3rd quarter results - Second week of February, 2016.
 - iv. 4th quarter results - Last week of May, 2016.
- d. Date of Book Closure: 23rd September, 2015 to 30th September, 2015
- e. Dividend Payment Date: N.A.
- f. Listing of Equity Shares on Stock Exchanges: The Company has paid Annual Listing Fees to the Stock Exchanges where the Company's shares are listed for the financial Year upto 31-03-2015
- g. Stock Code: BSE-531205,

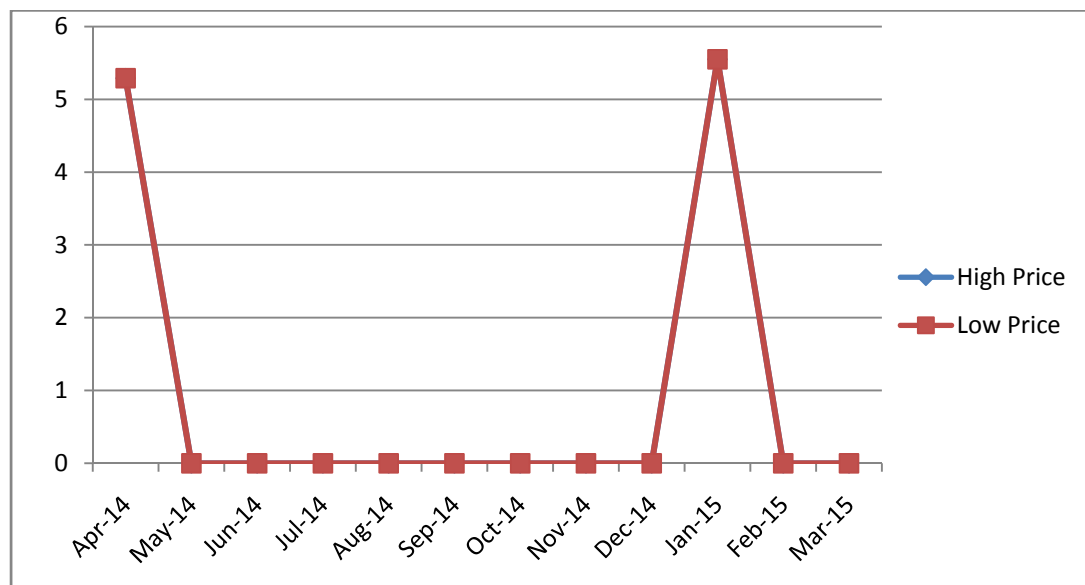
Kansal Fibres Limited

ASE- 29101,
DSE- 8365
LSE- Kansal

- h. Demat ISIN number: **INE179O01015**
- I. High / Low of Monthly Market Price of the Companies Equity Shares traded on Bombay Stock Exchange during the financial year 2014-15 are furnished below:

Month	High Price (Rs.)	Low Price (Rs.)
April 2014	5.29	5.29
May 2014	0	0
June 2014	0	0
July 2014	0	0
August 2014	0	0
September 2014	0	0
October 2014	0	0
November 2014	0	0
December 2014	0	0
January 2015	5.55	5.55
February 2015	0	0
March 2015	0	0

- j. Performance of the Company's shares in comparison with broad-based indices as BSE's Sensex:



- k. Registrar & Share Transfer Agent: M/s. Purva Sharegistry (India) Pvt. Ltd.
No-9, Shiv Shakti Industrial Estate, Ground Floor,

Kansal Fibres Limited

J. R. Boricha Marg, Opp. Kasturba Hospital,
Lower Parel, Mumbai - 400 011

- l. Share Transfer System: Valid Share transfer in physical form and complete in all respects were approved and registered within the stipulated period.
- m. Distribution of Shareholding as on Dated 31.03.2015

SHARE HOLDING OF NOMINAL VALUE OF		SHARE HOLDERS		SHARE AMOUNT	
Rs.	Rs.	Number	% to Total	In Rs.	% to Total
(1)		(2)	(3)	(4)	(5)
Upto	- 5,000	2487	66.14	8074000	14.23
5,001	- 10,000	726	19.31	5296000	9.34
10,001	- 20,000	289	7.69	4241000	7.48
20,001	- 30,000	127	3.38	3204000	5.65
30,001	- 40,000	42	1.12	1437000	2.53
40,001	- 50,000	8	0.21	393000	0.69
50,001	- 1,00,000	42	1.12	3046000	5.37
1,00,001 and above		39	1.04	31038000	54.71
TOTAL		3760	100.00	56729000	100.00

- n. Shareholding pattern as on 31.03.2015

Category	No of Shares held	% of Shareholding
a. Promoters and persons who may be deemed to be acting in concert including promoter/directors group Companies	1543100	27.20
b. Mutual Fund/Trust	200000	3.53
c. Financial Institution/Banks	290000	5.11
d. Bodies Corporate	311500	5.49
e. Indian public	3307900	58.31
f. other (HUF)	20400	0.36
TOTAL	5672900	100.00

Dematerialization of shares: As on 31-03-2015 Demat shares accounted for 3,49,400 Equity Shares (0.69%) of total equity.

Kansal Fibres Limited

Outstanding GDR / ADR / Warrants: Not Applicable

o. Top 10 Shareholders as on 31st March, 2015 (Other than Promoters)

Sr. No	Name of Shareholders	Shareholding	%
1	Punjab State Industrial Devl. Corp.	290000	5.11
2	Bank Of Baroda	200000	3.52
3	Money Growth Investment Consultant	65800	1.15
4	SSG Fincom (P) Ltd	65800	1.15
5	V A Mehta	65800	1.15
6	Sunil Lamba	65800	1.15
7	P L Lamba	65800	1.15
8	Shashi Gupta	63400	1.11
9	M/S Hi- Tech Foam Pvt. Ltd.	56000	0.98
10	M/S Yelena Exports Pvt. Ltd.	50000	0.88
	Total	988400	17.35

P. Address for communication:

KANSAL FIBRES LIMITED

E-10/7586/A, Opp. Lane Pooja Intl,
Bahadur Kay Road, Dana Mandi
Ludhiana-141008

Declaration of compliance with the code of conduct

All the Directors and senior management personal have, respectively, affirmed compliance with the code of conduct as approved and adopted by the Board of Directors.

By Order of the Board of Directors

Date : 30/05/2015

Place : Ludhiana

(Loharuka Surya Prakash)
Director
(Din: 03564496)

(Doshi Piyush Bhai)
Director
(Din: 00185127)

(Bipin Patel)
Director
(Din: 03190744)

Kansal Fibres Limited

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Textile Industry contributes nearly 14% of the total Industrial Production of the country and also contributes 3% to the GDP of the country. The country earns about 27% of its foreign exchange through textile export. Considering the slow global economic recovery so far, there is a need to improve competitiveness of the sector in the global market.

Within textile, 'Home Textile' market is estimated at over 10,000 crores. Of this, the organized sector accounts for under 10%. The Home Textile category is expected to grow at 8% p.a. and the share of organized sector is expected to improve.

The emergence of strong modern trade and rapidly growing large format stores is expected to help upgradation of the market and also aid growth of organized sector players.

OPPORTUNITIES AND THREATS:

Opportunities

- ✳ Abundant availability of Raw Materials.
- ✳ India has significantly lower raw material costs, wastage costs and labour costs when compared to other countries.
- ✳ Greater Investment and Foreign Direct Investment opportunities are available.
- ✳ Increased Disposable Income and Purchasing Power of Indian Customer opens New Market Development.
- ✳ Strong presence of related and supporting industries.
- ✳ Textile machinery Indian textile machinery manufacturers are able to produce at competitive prices sophisticated machines of higher speed and production capability.
- ✳ The textile industry also gets significant support from the well developed IT capabilities of Indian firms.

Threats

- ✳ Fragmented structure with the dominance of the small scale sector
- ✳ High power costs
- ✳ Rising interest rates and transaction costs
- ✳ Unfriendly labour laws
- ✳ Logistical disadvantages in terms of shipping costs and time pose serious threats to its growth
- ✳ Foreign investments are not coming in as the overall factors influencing the industry are not investment friendly.
- ✳ Geographical Disadvantages.
- ✳ International labor and Environmental Laws.
- ✳ Increase in rate of service tax from 10 percent to 12 percent has given the intense competition in the Industry. Increased competition also translates into serious pressures on cost. These added to soaring commodity prices and volatility of exchange rates pose a serious challenge to cost management.

Kansal Fibres Limited

SEGMENT WISE PERFORMANCE:

The Company has identified its activities as single segment. Hence, the Company's performance is to be viewed as a single segment company operating in textile industry.

RECENT TREND AND FUTURE OUTLOOK:

The textile industry is undergoing a major reorientation towards non-clothing applications of textiles, known as technical textiles, which are growing roughly at twice rate of textiles for clothing applications and now account for more than half of total textile production. Technical textiles have many applications including bed sheets; filtration and abrasive materials; furniture and healthcare upholstery; thermal protection and blood-absorbing materials; seatbelts; adhesive tape, and multiple other specialized products and applications.

While the year 2014-15 was not a rewarding period from business perspective, few positives could be derived out of the operation such as efforts toward energy conservation, maintaining a reasonably healthy capacity utilisation compared to the industry average, an improved gross realisation and stable top line compared to previous year. With our sustained efforts in these fronts coupled with anticipated improved demand and higher capacity utilization, we expect the business to improve and become profitable. This will further be aided by your Company's focus on speciality fibres, innovative product mix and long term measures for cost reduction by converting fuel from RLNG to coal.

RISKS AND CONCERNS:

High inflation could adversely impact the domestic demand, especially since the 'Home Category' is considered as 'non-essential' in the family's consumption basket. Aggressive competition by new players, who wish to enter the category pose a risk of the Company losing its market share. The conversion cost could sharply escalate with severe energy price rise as well as increased labour cost due to hike in minimum wages.

The Company will focus on contemporary designs, better value proposition in the product basket through continuous innovation and on cost management to mitigate the risks. We will also strive to widen the customer base in the exports business to address the challenges in the market.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company maintains adequate internal control systems, which provide among other things reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets.

The Internal Auditors have introduced several objective tools to assess strengths of our internal controls as also, identify areas where it need to be further strengthened. The scope and authority of the Internal Audit are well defined in the internal audit charter, approved by the Audit Committee. Internal audit plays a key role in providing an assurance to the Board of Directors of adequate internal control system. The audit committee at its meetings reviewed the reports of the internal auditors as well as the Risk Management process of the Company.

Kansal Fibres Limited

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The financial performance of the Company for the year 2013-14 is described in the Directors' Report under the head 'Financial Performance of the Company'.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT:

Your Company has undertaken certain employees' development initiatives which have very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock-out etc. Functional training and employee engagement was given adequate weightage during the year to enhance employee productivity and morale. Re-training on occupational, health, safety and environment were carried out in both the manufacturing facilities to improve awareness.

CAUTIONARY STATEMENT:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

By Order of the Board of Directors

Date : 30/05/2015

Place : Ludhiana

(Loharuka Surya Prakash)
Director
(Din: 03564496)

(Doshi Piyush Bhai)
Director
(Din: 00185127)

(Bipin Patel)
Director
(Din: 03190744)

Kansal Fibres Limited

CERTIFICATE ON FINANCIAL STATEMENTS

To,
The Members,
Kansal Fibres Limited

We, have hereby certify that:

1. We have reviewed the financial statements and the cash flow statements of Kansal Fibres Limited for the financial year 2014-15 and to the best of our knowledge and belief, we state that:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company 's affairs for the period presented in this report and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a. significant changes in internal control over financing reporting during the year;
 - b. significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - c. that there were no Instances of significant fraud that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

**By Order of the Board
For Kansal Fibres Limited**

**Place: Ludhiana
Date: 30/05/2015**

**Loharuka Surya Prakash
Director
DIN: 03564496**

Kansal Fibres Limited

ANNUAL CERTIFICATE UNDER CLAUSE 49(I) (D) OF THE LISTING AGREEMENT
WITH THE STOCK EXCHANGES

I, Loharuka Surya Prakash, Director of the Kansal Fibres Limited declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the year ended 31st March 2015.

**By Order of the Board
For Kansal Fibres Limited**

**Place: Ludhiana
Date: 30/05/2015**

**Loharuka Surya Prakash
Director
DIN: 03564496**

Kansal Fibres Limited

COMPLIANCE CERTIFICATE

To,
The Members,
KANSAL FIBRES LIMITED
E-10/7586/A, Opp. Lane Pooja Intl,
Bahadur Kay Road,
Dana Mandi, Ludhiana - 141008

We have examined the compliance of Corporate Governance by Kansal Fibres Limited for the year ended on 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

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

We state that no investor grievance(s) is/ are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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

Date : 30th May, 2015
Place : Ahmedabad

For, Vishves A. Shah & Co.
Chartered Accountants
Firm No.121356w

(Vishves A. Shah)
Proprietor
M. No. 109944

VISHVES A. SHAH & CO.

Chartered Accountants

316, Abhishek Plaza, B/h. Navgujarat College,

Income Tax, Ahmedabad – 380058

Ph. +91 98254 71182, +91 93777 71182

E-Mail: vishvesca@gmail.com

Independent Auditor's Report

To,
The Members of,
KANSAL FIBRES LTD.

Report on Standalone Financial Statement

We have audited the accompanying Standalone financial statements of “**KANSAL FIBRES LTD.**” which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year then ended, Cash flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Managements' Responsibility for Standalone Financial Statements:

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit/ loss for the year ended on that date; and
- c) in case of Cash Flow Statement for the year ended 31st March 2015.

Emphasis of Matter:

There is no such matter came across to put emphasis on during the course of our Audit.

Report on Other Legal and Regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss 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 comply with the Accounting Standards referred to in section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In our Opinion and Explanation provided to us, to the best of our knowledge and belief there is not any financial transaction that affect adversely on the functioning of the company.
 - f) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
 - g) To the best of our knowledge and belief and explanation provided to us Financial Control System in place are adequate and it is operating effectively.

- h) With respect to other matters to be included in auditor's report in accordance with Rule 11 of Companies (Audit and Auditors) Rule, 2014; in our opinion and to the best of our information and according to the explanation provided to us:
- a. It may be noted that at present, no Rules relating to the amount of cess for rehabilitation or revival or protection of assets of sick industrial companies, payable by a company under section 269 of the Act have been notified by the central Government. Thus, it would not be possible for the auditor to comment on the regularity or otherwise about the cess till the time relevant rules or regulations are issued.
- b. The company does not have any pending litigations which would impact on financial position

Date : 30th May, 2015
Place : Ahmedabad

For, Vishves A. Shah & Co.
Chartered Accountants
Firm No.121356w

(Vishves A. Shah)
Proprietor
M. No. 109944

KANSAL FIBRES LTD.

Annexure referred to in paragraph 1 of our report even date.

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

(i) In Respect of the Fixed Assets:

a) There is No Fixed Assets during the year.

(ii) In respect of its Inventories:

a) There is No Inventories during the year.

(iii) In respect of Loan:

a) The company has taken any loans from Companies, Firms or other parties and directors and relative of the Director; Register maintained under section 189 of the Act.

b) In our opinion, the terms and conditions, on which loans have been taken from companies, firms or other parties listed in the register maintained under section 189 of the Companies Act 2013 and from the companies under the same management, are not, prima facie, prejudicial to the interest of the company.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchases of inventory, fixed assets and with regards to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

(v) In respect of Contracts or arrangements referred to in Section 189 of the Companies Act, 2013:

According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in into the register maintained under section 189 of the Companies Act, 2013 have been so entered.

In our opinion and according to the information and explanation given to us, There is no any transaction more than Rs. 500000/- or more of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and aggregating during the year in respect of each party, so this provision is not applicable.

- (vi) In our opinion and according to the information and explanations given to us, since the company has not accepted any deposits from the public the compliance with the provisions of sections 73 or any other relevant provisions of the Act and the rules frame there under with regard to the deposits accepted from the public are not applicable to the company. No order has been passed by the applicable authorities.
- (ix) In respect of Statutory Dues:
- a) According to the information and explanation given to us, the company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Provident Fund, ESIC, Income Tax, Sales Tax, Excise Duty, Cess and any other material statutory dues applicable to it.
- b) According to the information and explanations given to us, no disputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were outstanding, as at 31st March, 2015 for a period of more than six months from the date they become payable.
- (x) The company have accumulated losses of Rs. 6,26,24,162/-, during the year company has not incurred any cash losses.
- (xi) According to the information and explanations given to us, the company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities. Therefore the provisions of clause 4(xii) of the Companies (Auditors Report) order, 2015 are not applicable to the company
- (xii) In our opinion, the company is not a Chit Fund or a NIDHI Mutual Benefit Fund/Society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors Report) order, 2015 are not applicable to the company.
- (xiii) In our opinion the company is dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of the clause 4 (xiv) of CARO 2015 are applicable to the company as regards dealing in or trading in shares, securities and other investments. No records available for verification purpose.
- (xiv) As informed to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- (xv) In our opinion, on the basis of information & explanations given to us, the term loans were not applied for the purpose for which they were raised.
- (xvi) In our opinion, on the basis of information and explanations given to us funds raised on Short term basis have not been used for Long-term investment.
- (xvii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 189 of the Act.

- (xviii) The company has not issued any debentures during the period covered by our audit report.
- (xix) The company has not made any public issue of shares during the period covered by our audit report.
- (xx) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Date : 30th May, 2015
Place : Ahmedabad

For, Vishves A. Shah & Co.
Chartered Accountants
Firm No.121356w

(Vishves A. Shah)
Proprietor
M. No. 109944

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2015.

1. SIGNIFICANT ACCOUNTING POLICIES

(i) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS.

The financial statements have been prepared under the historical cost convention, in accordance with Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013, as adopted consistently by the company. All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

(ii) REVENUE RECOGNITION.

The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except in case of significant uncertainties.

(iii) FIXED ASSETS AND DEPRECIATION.

There is No any Fixed Assets During the year.

2. NOTES FORMING PART OF ACCOUNTS

- (i) Balance of cash on hand at the end is accepted as certified by the management of the company
- (ii) The figures of the previous year are taken as it is from the report of the previous auditor.
- (iii) Balance of Sundry Debtors, Creditors, unsecured loans, Loans & advances are subject to confirmation of the parties.

For and on behalf of the board of directors
For, KANSAL FIBRES LTD.

As per our attached report of even date
For, Vishves .A. Shah & Co,
Chartered Accountants
Firm No.121356w

Director

Director

(Vishves A Shah)
(Proprietor)
M No:-109944

Place : Ahmedabad
Date : 30th May, 2015

KANSAL FIBRES LTD.
Balance Sheet as at March 31, 2015

(Amount in INR)

Particulars	Note No.	As at March 31, 2015		As at March 31, 2014	
I Equity & Liabilities					
1. Shareholders' funds					
(a) Share Capital	2	56,729,000		57,868,000	
(b) Reserves and Surplus	3	(61,485,162)		(62,288,730)	
(c) Money received against share warrants		-		-	
			(4,756,162)		(4,420,730)
2. Share application money pending allotment					
			-		-
3. Non - Current Liabilities					
(a) Long - Term Borrowings	4	4,598,597		4,429,597	
(b) Deferred Tax Liabilities (Net)					
(c) Other Long - Term Liabilities	5	-		-	
(d) Long - Term Provisions	6	-		-	
			4,598,597		4,429,597
4. Current Liabilities					
(a) Short - Term Borrowings	7	-		-	
(b) Trade Payables	8	202,404		202,404	
(c) Other Current Liabilities	9	404,377		404,377	
(d) Short - Term Provisions	10	78,500		-	
			685,281		606,781
TOTAL			527,716		615,648
II Assets					
1. Non - Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	11	-		3,830	
(ii) Intangible Assets		-		-	
(iii) Capital Work-in-Progress		-		-	
(iv) Intangible Assets under Development		-		-	
(b) Non - Current Investments	12	-		-	
(c) Deferred tax assets (net)		-		-	
(d) Long - Term Loans and Advances	13	-		-	
(e) Other Non - Current Assets	14	-		-	
			-		3,830
2. Current Assets					
(a) Current Investments	15	-		-	
(b) Inventories		-		-	
(c) Trade Receivables	16	509,384		509,384	
(d) Cash and Cash equivalents	17	15,443		99,545	
(e) Short - Term Loans and Advances	18	2,889		2,889	
(f) Other Current Assets	19	-		-	
			527,716		611,818
TOTAL			527,716		615,648
Significant Accounting Policies					
	1				

As per our separate report of even date

See accompanying notes to the financial statements

For, Vishves A. Shah & Co.

Chartered Accountants

Firm No:-121356W

For & on behalf of the Board

Kansal Fibres Ltd.

(Vishves A. Shah)

Proprietor

M. No. 109944

Suryaprakash Loharuka

Director

DIN: 03564496

Doshi Piyushbhai

Director

Din: 00185127

Place : AHMEDABAD

Date : 30/05/2015

KANSAL FIBRES LTD.

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

(Amount in INR)

	Particulars	Note No.	For the year ended March 31, 2015		For the year ended March 31, 2014	
I	Revenue from Operations	20	-		67,559	
II	Other Income	21	-		-	
III	Total Revenue (I + II)			-		67,559
IV	Expenses					
	Cost of Material Consumed		-		-	
	Purchases	22	-		-	
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	-		-	
	Employee Benefits Expenses	24	-		120,000	
	Finance Costs	25	218		948	
	Depreciation and Amortization Expense	26	-		1,002	
	Other Expenses	27	331,384		237,970	
	Total Expense			331,602		359,920
V	Profit before Exceptional and Extraordinary Items and Tax (III-IV)			(331,602)		(292,361)
VI	Exceptional Items			-		-
VII	Profit before Extraordinary Items and Tax (V-VI)			(331,602)		(292,361)
VIII	Extraordinary Items			-		-
IX	Profit Before Tax (VII-VIII)			(331,602)		(292,361)
X	Tax Expense:					
	(a) Current Tax		-		-	
	(b) Deferred Tax		-		-	
	(c) Tax of Earlier Year		-		-	
	(d) MAT Credit Entitlement		-		-	
				-		-
XI	Profit for the Period from Continuing Operations (IX - X)			(331,602)		(292,361)
XII	Profit/(Loss) for the Period from Discontinuing Operations			-		-
XIII	Tax Expense of Discontinuing Operations			-		-
XIV	Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII)			-		-
XV	Profit for the Period (XI + XIV)			(331,602)		(292,361)
XVI	Earnings Per Equity Share (Face Value Rs. 10/- Per Share):	28				
	Basic (Rs.)			(0.06)		(0.05)
	Significant Accounting Policies	1				

As per our separate report of even date

See accompanying notes to the financial statements

For, Vishves A. Shah & Co.

Chartered Accountants

Firm No:-121356W

(Vishves A. Shah)

Proprietor

M. No. 109944

Place : AHMEDABAD

Date : 30/05/2015

For & on behalf of the Board

Kansal Fibres Ltd.

Suryaprakash Loharuka

Director

DIN: 03564496

Doshi Piyushbhai

Director

Din: 00185127

KANSAL FIBRES LTD.
Notes to financial statements for the year ended March 31, 2015

Note 2 - Share Capital

(Amount in INR)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
Authorised :		
70,00,000 Equity Shares (Previous Year 70,00,000) of Rs. 10/- each	70,00,000	70,00,000
TOTAL	<u>70,00,000</u>	<u>70,00,000</u>
Issued, Subscribed and Paid-up :		
56,72,900 Equity Shares (Previous Year 59,00,700) of Rs. 10/- each	56,72,900	59,00,700
Less : Calls in arrears	-	1,139,000
TOTAL	<u>56,72,900</u>	<u>57,868,000</u>

(b) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

- i) The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended 31st March 2015, the Company has not declared any dividend.
- ii) In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

(c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2015	As at March 31, 2014
No. of shares at the beginning of the year	5,900,700	5,900,700
Add: Issue of Shares during the year		
Subscriber to the Memorandum	-	-
Private Placement	-	-
	<u>-</u>	<u>-</u>
Less: Forfeiture of Shares during the Year	227,800	-
	<u>227,800</u>	<u>-</u>
No. of shares at the end of the year	<u>5,672,900</u>	<u>5,900,700</u>

(d) Aggregate details for five immediately previous reporting periods for each class of shares

Particulars	As at March 31, 2015	As at March 31, 2014
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	-	-
- No. of shares bought back	-	-

(e) Details of shareholders holding more than 5% shares in the company

No. of Shares held by	As at March 31, 2015		As at March 31, 2014	
	Nos.	%	Nos.	%
Laxmi Edifice Pvt. Ltd.	1,543,100	27.20%	1,543,100	26.15%

(f) Detailed note on shares reserved to be issued under options and contracts / commitment for the sale of shares / divestments including the terms and conditions.

The company does not have any such contract / commitment as on reporting date.

(g) Detailed terms of any securities convertible into shares, e.g. in the case of convertible warrants, debentures, bonds etc.

The company does not have any securities convertible into shares as on reporting date.

KANSAL FIBRES LTD.

Notes to financial statements for the year ended March 31, 2015

Note 3 - Reserves & Surplus

			(Amount in INR)	
Particulars	As at March 31, 2015	As at March 31, 2014		
(i) Capital Reserve				
As per last Balance Sheet	-	-		
Add: Additions during the year (Share Forfeiture)	1,139,000	-		
Less: Utilised / transferred during the year	-	-		
Closing balance	1,139,000	-		
(ii) Securities premium account				
Opening balance	-	-		
Add : Premium on shares issued during the year	-	-		
Less : Utilised during the year for:	-	-		
Closing balance	-	-		
(ii) General Reserve				
As per last Balance Sheet	-	-		
Add: Transferred from Profit and Loss Account	-	-		
Less: Transferred to Profit and Loss Account	-	-		
Closing balance	-	-		
(iv) Surplus in the Profit & Loss Account				
As per last Balance Sheet	(62,288,730)	(61,996,369)		
Add: Profit / (Loss) for the year	(331,602)	(292,361)		
Amount available for appropriations	(62,620,332)	(62,288,730)		
Appropriations:				
Add: Transferred from reserves	-	-		
Other Adjustments	-	-		
Less: Transferred to General reserve	3,830	-		
Other Adjustments	-	-		
	(3,830)	-	(62,288,730)	
TOTAL	(61,485,162)	-	(62,288,730)	

Note 4: Long Term Borrowing

			(Amount in INR)	
Particulars	As at March 31, 2015	As at March 31, 2014		
(a) Loans From Bank and Financial Institutions				
Secured Loans	-	-		
Unsecured Loans	-	-		
Term Loan from others	-	-		
Secured	-	-		
Unsecured	-	-		
(b) Loans and advances from related parties				
Secured	-	-		
Unsecured	4,598,597	4,429,597		
	4,598,597	4,429,597		
(c) Other Loan & Advances				
Secured Loans	-	-		
Unsecured Loans	-	-		
Loans from Others	-	-		
	-	-		
	4,598,597	4,429,597		

Note 5: Other Long Term Liability

			(Amount in INR)	
Particulars	As at March 31, 2015	As at March 31, 2014		
(i) Trade Payable	-	-		
(ii) Others	-	-		
Total	-	-		

KANSAL FIBRES LTD.

Notes to financial statements for the year ended March 31, 2015

Note 6: Long Term Provisions

Particulars	(Amount in INR)	
	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee's benefits	-	-
(b) Others (Specify Nature)	-	-
	<u>-</u>	<u>-</u>

Note 7 - Short Term Borrowings

Particulars	(Amount in INR)	
	As at March 31, 2015	As at March 31, 2014
(a) Loans repayable on demand		
From banks		
Secured	-	-
Unsecured	-	-
From Other parties		
(b) Loans and advances		
Secured	-	-
Unsecured	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Note 8 - Trade Payables

Particulars	(Amount in INR)	
	As at March 31, 2015	As at March 31, 2014
Current payables (including acceptances) outstanding for less than 12 months	202,404	202,404
	<u>202,404</u>	<u>202,404</u>

Note 9 - Other Current Liabilities

Particulars	(Amount in INR)	
	As at March 31, 2015	As at March 31, 2014
Other Current Liabilities	404,377	404,377
	-	-
TOTAL	<u>404,377</u>	<u>404,377</u>

Note 10 - Short-Term Provisions

Particulars	(Amount in INR)	
	As at March 31, 2015	As at March 31, 2014
Employees ESI Payable	-	-
Employee's Share of PF Payable	-	-
Employer's ESI Payable	-	-
Employer's Share of PF Payable	-	-
Provision for Audit fees	37,500	-
Provision for Internal Audit fees	21,000	-
Provision for Accounting fees	20,000	-
Provision for Taxation	-	-
Duties & Taxes	-	-
Provision for Tax on Proposed Dividend	-	-
	<u>-</u>	<u>-</u>
TOTAL	<u>78,500</u>	<u>-</u>

KANSAL FIBRES LTD.

Notes to financial statements for the year ended March 31, 2015

Note -12 - Non-Current Investments

(Amount in INR)

Particulars	As at March 31, 2015	As at March 31, 2014
Investments (At Cost)	-	-
Investment in Equity Instruments	-	-
i) of Subsidiaries:	-	-
ii) of other entities:	-	-
Investment in Shares & Securities	-	-
Other Non Current Investment	-	-
	-	-
	-	-

Note -13 - Long Term Loan & Advances

(Amount in INR)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Capital Advances	-	-
(b) Security Deposits		
Security Deposit	-	-
Office Deposit	-	-
Unsecured Considered good	-	-
Deposits	-	-
(c) Loans & Advances to Related Parties		
Unsecured considered good	-	-
(d) Other Loans & Advances (Specify Nature)		
Secured, Considered good	-	-
Unsecured Considered good	-	-
Advance to Staff	-	-
Due from Others	-	-
Doutful or Bad	-	-
	-	-
	-	-

Note -14 - Other Non-Current Assets

(Amount in INR)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Long Term Trade Receivable	-	-
(b) Others (Specify Nature)		
MAT Credit	-	-
Preliminary Expenses	-	-
	-	-
	-	-

Note -15 - Current Investments

(Amount in INR)

Particulars	As at March 31, 2015	As at March 31, 2014
Current Investments (At lower of cost and fair value)		
SBI Mutual Fund	-	-
	-	-
	-	-

Note 16 - Trade Receivables

(Amount in INR)

(a) Particulars	As at March 31, 2015	As at March 31, 2014
(i) Due for a period exceeding six months		
- Unsecured, considered good	-	-
- Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
	-	-
(ii) Others		
- Unsecured, considered good	509,384	509,384
- Doubtful	-	-
Less: Doubtful Debts Writtewn off	-	-
	509,384	509,384
	509,384	509,384
TOTAL	509,384	509,384

KANSAL FIBRES LTD.

Notes to financial statements for the year ended March 31, 2015

Note 17 - Cash & Cash equivalents

(Amount in INR)		
Particulars	As at March 31, 2015	As at March 31, 2014
(a) Cash & Cash Equivalents		
(i) Balances with Banks :		
Allahabad Bank	7,140	32,867
(ii) Cash-on-hand	8,303	66,678
(iii) Cheques & Drafts on-hand		
(iv) Others - Stamps on Hand	-	
(b) Other Bank Balances		
- Margin Money or Security Deposit		
- Repatriation Restrictions		
- Deposit Accounts more than 3 month maturity		
- Deposit Accounts more than 12 month maturity		
TOTAL	15,443	99,545

Note 18 - Short Term Loans & Advances

(Amount in INR)		
Particulars	As at March 31, 2015	As at March 31, 2014
(a) (i) Security deposits		
Secured, considered good	-	
Unsecured, considered good	-	
Doubtful	-	-
(ii) Inter-corporate deposits		
Secured, considered good	-	
Unsecured, considered good	-	
Doubtful	-	-
(iii) Share Application Money Given		
(iv) Advance income tax and TDS - Unsecured, considered good		
	-	-
(v) Others		
Secured, considered good	-	
Unsecured, considered good	2,889	2,889
Doubtful	-	-
	2,889	2,889
Less: Provision for Doubtful Debts		
TOTAL	2,889	2,889

Note 19: Other Current Assets

Particulars	As at March 31, 2015	As at March 31, 2014
Prepaid Exp	-	-
	-	-

Note 20 - Revenue from Operations

(Amount in INR)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Miscellaneous Income	-	36,000
Rebate and Discount	-	31,559
TOTAL	-	67,559

Note 21 - Other Income

(Amount in INR)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	-	-
TOTAL	-	-

Note 22 - Purchases

(Amount in INR)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Purchase	-	-
TOTAL	-	-

Note 23 - Changes in inventories of finished goods, work in progress and stock in trade

(Amount in INR)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<u>Inventories at the end of the year:</u>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	-
	-	-
<u>Inventories at the beginning of the year:</u>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	-
	-	-
	-	-

Note 24 - Employee Benefit Expenses

(Amount in INR)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Salary	-	120,000
TOTAL	-	120,000

Note 25 - Financial Costs

(Amount in INR)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Bank Charges	218	948
TOTAL	218	948

Note 26 - Depreciation & Amortised Cost

(Amount in INR)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation	-	1,002
TOTAL	-	1,002

Note 27 - Other Expenses

(Amount in INR)		
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Audit Fees	37,500	11,236
Accounting Fees	20,000	
Advertisement	-	58,665
BSE Fees Expense	178,634	-
Insurance	-	11,609
Internal Audit Fees	21,000	-
General Expense	-	4,890
Legal Fees	74,250	
Printing & Stationery	-	15,320
Postage and Telephone	-	18,650
Rent and Taxes	-	117,600
TOTAL	<u>331,384</u>	<u>237,970</u>

Note 28 - Earnings Per Equity Share

(Amount in INR)		
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Net profit after tax attributable to equity shareholders for Basic EPS	(331,602)	(292,361)
Add/Less: Adjustment relating to potential equity shares		-
Net profit after tax attributable to equity shareholders for Diluted EPS	(331,602)	(292,361)
(b) Weighted average no. of equity shares outstanding during the year		
For Basic EPS	5,672,900	5,900,700
(c) Face Value per Equity Share (Rs.)		
Basic EPS	(0.06)	(0.05)

Note 29 - Previous year figures

The figures of the previous year have been re-arranged, re-grouped and re-classified wherever necessary

KANSAL FIBRES LTD.

Note : 11

Schedule of Fixed Assets as per the Companies Act for the year ended 31st March, 2015

Block of Asset	<u>Gross Block</u>			<u>Accmulated Depreciation and Impairment</u>			<u>Net Block</u>	
	As on 01.04.2014	Addition for period	As on 31.03.2015	As on 01.04.2014	Depreciation Exp. for the year	As on 31.03.2015	As on 01.04.2014	As on 31.03.2015
Office Equipment	21,100		21,100	16,278	0	16,278	4,822	4,822
Total :	21,100	NIL	21,100	16,278	NIL	16,278	4,822	4,822
Previous Year	5,885,653	NIL	5,885,653	3,744,169	37,175	3,781,344	2,141,484	4,822

KANSAL FIBRES LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	Year ended 31st March, 2015 Rs.		Year ended 31st March, 2014 Rs.	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax for the year		(331,602)		(292,361)
Adjustments for :				
Transferred to reserve				
Depreciation	-		1,002	
Non Cash Item Loss	-		-	
Interest Received	-			
Interest Paid	-			1,002
Operating Profit before Working Capital change		(331,602)		(291,359)
Adjustments for :				
Decrease/(Increase) in Receivables	-		-	
Decrease/(Increase) in Loans & Advances	-		51	
Decrease/(Increase) in Inventories	-		-	
Decrease/(Increase) in Other Current Assets	-		-	
Increase/(Decrease) in Payables	-		(1,860,809)	
Increase/(Decrease) in Current Liabilities	-		100,843	
Increase/(Decrease) in Provisions	78,500	78,500	-	(1,759,915)
Cash Generated From Operations		(253,102)		(2,051,274)
Income Tax		-		-
NET CASH FROM OPERATING ACTIVITIES Total (A)		(253,102)		(2,051,274)
CASH FLOW FROM INVESTING ACTIVITIES				
Fixed Asset Write off				
Non Current Investment	-		-	
Current Investment	-		-	
Non Current Assets Sold	-		-	
Interest Received				
NET CASH USED IN INVESTING ACTIVITIES Total (B)		-		-
CASH FLOW FROM FINANCING ACTIVITIES				
Share Application Money	-		-	
Share Premium	-		-	
Long Term Borrowing	169,000		1,660,000	
Long Term Loans & Advances	-		429,250	
NET CASH FROM FINANCING ACTIVITIES Total (C)		169,000		2,089,250
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)		(84,102)		37,976
Cash and Cash Equivalents -- Opening Balance		99,545		61,569
Cash and Cash Equivalents -- Closing Balance		15,443		99,545
		-		-
		-		-

Note: Previous year's figures have been regrouped/rearranged wherever considered necessary.

As per our separate report of even date

See accompanying notes to the financial statements

For, Vishves A. Shah & Co.

Chartered Accountants

Firm No:-121356W

(Vishves A. Shah)

Proprietor

M. No. 109944

Place : AHMEDABAD

Date : 30/05/2015

For & on behalf of the Board

KANSAL FIBRES LTD.

Director

Director

Kansal Fibres Limited

Reg. Add: E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana- 141008

ATTENDANCE SLIP
ANNUAL GENERAL MEETING - 30th September, 2015 AT 11.00 A.M.

DP Id.		Client Id. / Ben.	
		A/c.	
Folio No.		No. of Shares	

I certify that I am a registered shareholder/Proxy for the registered shareholder of the Company.

I/We hereby record my/our presence at the **ANNUAL GENERAL MEETING** of the Company being held on 30th September, 2015 at 11.00 A.M. at E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana- 141008

Full Name of the Shareholder / Proxy (In Block Letter)

Signature

=====

Kansal Fibres Limited

Form No. MGT-11

Proxy form

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

CIN: L17116PB1994PLC014457

Name of the company: Kansal Fibres Ltd.

Registered office: E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana- 141008

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

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

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

2. Name:
Address:
E-mail Id:
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 30th day of September, 2015 at 11.00 a.m. at E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana- 141008 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Description	For	Against
1	Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2015		
2	Re-election of Mr. Doshi Piyushbhai Mahendrabhai as a Director of the Company		
3	Appoint M/s. Vishves A Shah & Co., Chartered Accountants, Ahmedabad, as Statutory Auditors of the Company		
4	Appointment of Ms. Anjali Ajay Mehra (DIN: 07162493), as an Independent Director of the Company		
5	Adoption of new articles of association of the company containing regulation in conformity with Companies Act, 2013		

Signed this..... day of..... 20....

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Rs. 1 /-
Revenue
Stamp

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

Kansal Fibres Limited

If Undelivered, please return to:-

M/s. Purva Sharegistry (India) Pvt. Ltd.

Unit: Kansal Fibres Ltd.

No-9, Shiv Shakti Industrial Estate, Ground Floor,

J. R. Boricha Marg, Opp. Kasturba Hospital,

Lower Parel, Mumbai - 400 011