

41st Annual Report 2012 - 2013

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MSL INDUSTRIES LIMITED

BOARD OF DIRECTORS

S. K. Modi

Managing Director

A. K. Chatterjee

*(Non Executive & Independent Director
& Chairman of the Audit Committee)*

V.K.Singhania

(Executive Director)

A. K. Kundu

(Non Executive & Independent Director)

A. K. Choudhury

(Non Executive & Independent Director)

COMPANY SECRETARY

R.N. Dutta

AUDITORS

M/s. Taparia & Co.

Chartered Accountants

28, Black Burn Lane,
Kolkata - 700 012

BANKERS

State Bank of India

Indian Overseas Bank

Citi Bank N.A.

REGD. OFFICE

Urmila Bhawan, Mahalla Kurji (Balupar)

Sadakot Ashram, Patna - 800 010

HEAD OFFICE & SHARE DEPARTMENT

P-22, Swallow Lane, Kolkata - 700 001

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 41st Annual General Meeting of the Members of MSL Industries Limited will be held on Monday, the 30th December 2013 at 10.30 a.m. at Urmila Bhawan, Mahalla-Kurji (Balupar), Sadakat Ashram, Patna - 800 010 to transact the following business:

ORDINARY BUSINESS

1. To receive and to adopt the Profit & Loss Account for the financial year ended 31st March 2013 and the Balance Sheet as at that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri V. K. Singhania who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following Resolutions:-

A) As a Special Resolution

1. RESOLVED that in accordance with the provision of section 314 of the Companies Act 1956 (including any statutory modifications of re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to payment of Rs. 1 Lac as reimbursement of his medical expenses to Shri A. K. Chatterjee, a Director of the Company which was approved by the Remuneration Committee and by the Board of Directors at their meeting held on 12th August 2013.
2. RESOLVED that subject to obtaining approvals as may be required, authority be and is hereby given to the Board of Directors of the Company to sell Company's property which is free of any charge to any third party at Lalru in Punjab as such price and on such terms and conditions as may be approved by the Board."

Regd Office:
Urmila Bhawan, Mahalia Kurji (Balupar)
Sadakat Ashram
Patna - 800 010
Dated 13th day of November 2013

By Order of the Board

Sd. S. K. Modi
Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The proxy Form in order to be effective must be deposited at the Head Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 26th December 2013 to Monday, the 30th December 2013 (both days inclusive).
3. The Company's shares are listed on Magadh Stock Exchange at Patna, Stock Exchanges at Mumbai and Kolkata. The Company has already paid the Annual Listing Fees for the year 2005-06 to Kolkata & Magadh Stock Exchange and up to the year 2006-2007 to Mumbai Stock Exchange.
4. Explanatory Statement required U/S 173(2) of the Companies Act 1956 is stated herein after.
5. Shareholders are requested to intimate to the Share Transfer Agent of the Company whose address is given below any change in their address promptly including Pincode quoting the correct folio numbers and also to notify mistakes if any, in the respective addresses to ensure proper delivery of mail.
6. All correspondences regarding shareholding should be addressed to below mentioned Registrar and Share Transfer Agent:

MCS LTD
77/2A, HAZRA ROAD
3rd AND 5th FLOOR,
KOLKATA-700029.
PHONE:033-2476-7350/54

7. In case any grievance is not addressed by the said Share Transfer Agent, Shareholder may contact the Share Department of the Company at

MSL INDUSTRIES LTD (SHARE DEPARTMENT)
P-22, SWALLOW LANE, KOLKATA - 700 001

Explanatory Statement (Pursuant to section 173(2) of the Companies Act 1956)

ITEM NO. 4(A)1

Shri A. K. Chatterjee a Director of the Company holding position as Chairman of Audit Committee became very ill and was admitted to Nursing Home. The Remuneration Committee at their meeting held on 12th September 2012 and the Board of Directors at their Meeting held on 12th August 2013 had approved reimbursement of the Medical Expenses (part) incurred by Shri A. K. Chatterjee. The Directors recommend for your approval, if deem fit, and to pass the said Resolution as Special Resolution as required under Section 314 of the Companies Act 1956.

ITEM NO. 4(A) 2

Certain land belonging to the Company at Lalru in Punjab is not charged to the Secured Creditors, and can therefore, be sold, subject to getting necessary approvals. Your Directors considered the sale of the said property is necessary for the purpose of resolving various pending issues like Staff Salary, establishment cost, legal expenses, and Income Tax matters. As there is no other income in the Company the sale of the land can give the Company necessary fund for the purpose. Your Directors, thus request the shareholders of the Company to consider and if thought fit to pass the above Resolution as Special Resolution. The sale will be made at the best available price and on such terms as may be negotiated and as may be approved by the Board.

None of the Directors is interested in the Resolution.

DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure in presenting the 41st Annual Report on the operation of the Company together with the Audited Accounts for year ending 31st March 2013.

1. THE FINANCIAL RESULTS.	(₹ IN LACS) Year ending 31 st March 2013	(₹ IN LACS) Year ending 31 st March 2012
Turnover(Net of returns and realisation of Excise Duty)	0	0
Gross Profit/(Loss) before Depreciation		
Interest & Tax and other exceptional items	(40.15)	(25.77)
Depreciation	0.19	0.20
Interest (Net)[Schedule 5A]	(2.87)	(9.27)
	(37.47)	(16.50)
Exceptional Items:		
Interest Charge on Debtors writtenoff	(349.46)	(0)
Sundry Debtors writeenoff	(158.46)	(0)
Loans Advances writtenoff	(37.94)	(242.49)
Last Year Expances	(2.76)	
Sundry Creditors written back	0	13.82
Total of Exceptional Items	(548.62)	(228.67)
Profit(+)/Loss(-) before Tax	(586.09)	(245.17)
Provision for Tax	0	0.75
Profit(+)/Loss(-) after tax	(586.09)	(245.92)
Net Loss in Profit and Loss A/c for the year	(586.09)	(245.92)

Note:

i. Figures of the previous year have been regrouped wherever necessary.

2. CURRENT STATE OF AFFAIRS OF THE COMPANY.

Your Directors are pleased to reiterate their statements regarding the State of Affairs of the Company as reported on the accounts of the Company for the year ending 31st March 2012 i.e. (a) the Company's reference to BIFR under SICA was abated by Hon'ble Bench of the BIFR on the request of the Secured Creditors, (b) as the Company could not meet its obligations to the Secured Creditors, who had assigned their rights on the Assets of the Company in favour of ARCIL etc under SARF AESI Act, 2002 the said ARCIL, after taking over the possessions of all the Assets of all the Units of the Company sold the taken over Assets and distributed their sale proceeds between the Secured Creditors.

A sum of Rs.477.56 Lac was paid by ARCIL to IDBI, one of the Secured Creditors in settlement of their dues, as intimated by ARCIL. The Company is yet to receive "no due Certificate" from IDBI. Otlher Secured Creditors in the consortium namely SBI & ICICI Bank Ltd submitted their "no due certificate" through ARCIL. Presently all charged Assets sold by ARCIL and distributed the sale proceeds to the Secured Creditors were adjusted through Profit & Loss. Appropriation Account till the end-of 31st March 2012. Your Directors, have worked diligently to settle the dues of the Financial Institution, various pending issues including pending litigations - the Company has substantial dues from various large customers viz. M/s. Hindustan Cables Ltd., M/s Haryanma Telecom Ltd. etc. which involves legal action followup on a regular basis.

3. DIVIDEND.

In view of the aforesaid circumstances question of payment of Dividend does not arise.

4. EXPORTS.

There is no export of the Company during the year as also in previous year.

5. AUDITORS.

5.1 M/s Taparia & Co., Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The retiring auditors have furnished certificates of their eligibility for re-appointment as required under the Companies Act, 1956. Your Directors recommend for their re-appointment for 2013-2014.

6. DIRECTORS

- a) Shri V.K. Singhania, a Director shall retire and being eligible offer himself for re-election. Your directors recommend for his re-election in the next Annual General Meeting.
- b) To fill up the casual vacancy caused by demise of Late K. C. Mukherjee, Sri A. K. Choudhury was appointed as Independent and Non Executive Director of the Company by the Board of Directors at their meeting held on 28th June 2012 u/s 262 of the Companies Act 1956. The share holders of the company at their Annual General Meeting has approved the appointment of Shri A.K. Chowdhury as an independent director and to be a retiring director.
- c) Reappointment of Shri S.K. Modi as Managing Director of the company for another terms of three years with effect from 1st December 2012 was approved by the remuneration committee, Board of Director and share holders of the company as required under the company's Act 1956 and since approved by the Central Government U/S. 269 of the company's Act 1956 vide their letter no. SRN No. B68920537/2013 -CI-VII dated 4th October 2013.

7. DIRECTORS RESPONSIBILITY STATEMENT -PURSUANT TO SECTION 217(2AA)

Your Directors confirm that:

- i. In the preparation of the Annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of loss of the Company for that period;
- iii. The Directors had taken proper and sufficient care, as far as practicable under the prevailing circumstances, for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. As reported hereinabove, all moveable & immovable assets of the Units at Patna and at Ghaziabad were taken over and sold by ARCIL on behalf of most of the Secured Creditors namely ICICI Bank Ltd, State Bank of India and Industrial Development Bank of India. There is no operation at the units at Patna since 01st April 2001. Production of Hind Polymers unit was discontinued permanently with effect from 20.03.2009.

Statutory Disclosures

None of the Directors of your Company is disqualified as per provision of section 274(1)(g) of the Companies Act 1956. The Directors of the Company have made necessary disclosures, as required under the provision of the Act and clause 49 of the listing Agreement.

8. CORPORATE GOVERNANCE:-

Pursuant to clause 49 of the Listing Agreements with the Stock Exchanges, report on Corporate Governance along with certificate from the Practicing Company Secretary are attached hereto and form part of this report.

9. DEPOSITS.

The Company has not accepted any deposits from the public.

10. LIST OF THE STOCK EXCHANGES:

The Company's shares were listed on Magadh Stock Exchange at Patna, Stock Exchanges at Mumbai and Calcutta. The Company has already paid the Annual Listing Fees to them for the year 2006-2007 to Stock Exchange Mumbai and Calcutta Stock Exchange and up to 2005-06 to Magadh Stock Exchange.

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

As stated earlier the operation of all units of the Company were discontinued & disposed/closed. As such there is no scope to comply with this provision of the Act. in this regard.

12. PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT 1956.

Pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the Directors have to report to you that there was no such employees employed for the whole year and were in receipt of remuneration in aggregate of not less than `60,00,000/- per year throughout the financial year. There was also no employees employed for part of the year and were in receipt of remuneration of not less than `5,00,000/- per month thereafter.

13. BALANCE SHEET ABSTRACT AND CASH FLOW STATEMENT.

The Balance Sheet Abstract as at 31st March 2013 as required under Schedule VI of the Companies Act 1956 is attached herewith. The Cash Flow statement as required under the Listing Agreement with the Stock Exchanges, for the period ending 31st March 2013 are attached herewith.

14. ACKNOWLEDGEMENT.

Your Directors place on record their gratitude and appreciation to the Investors, Financial Institutions, Banks, Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges, State and Central Governments and other Government Agencies for the recognition given and the trust reposed by them in your Company.

By order of the Board

Kolkata.

Dated : the 13th day of November, 2013.

Sd. S. K. Modi
Managing Director

ANNEXURE TO THE DIRECTORS' REPORT**Annexure - 1**

Information under section 217(i)(e) of the Companies Act 1956 read with Companies(Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report.

1. CONSERVATION OF ENERGY

As reported earlier the Company was declared sick unit under SICA by BIFR. The Assets of the units were taken over by ARCIL under SARFAESI Act 2002, on behalf of the secured creditors namely ICICI Bank Ltd., IDBI, SBI. The movable assets including Plant & Machinery Structures thereon, Stock-in-trade and all other Electrical Installation etc and immovable assets at the units of Patna and Hind Polymers, were sold by ARCIL and have been dismantled. The operation of the Hind Polymers was also discontinued w.e.f. 20.03.2009. The sales proceed of the assets were distributed by ARCIL to Secured Creditors namely ICICI Ltd, SBI & IDBI. The question of energy saving at the units situated at Patna namely Hi-tech Steels unit and Steel unit and Hind Polymers unit at Ghaziabad does not, therefore, arise.

FORM A

Form for disclosure of Particulars with respect to conservation of energy.

Not applicable as all producing units of the Company are closed and all assets charged in favour of secured creditors were sold as reported earlier.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**FORM B**

Form for disclosure of particulars with respect to Technology Absorption: 2012-2013.

A. Research and Development (R & D) Not Applicable as there is no production.

B. Benefits derived as a result of above R&D

As stated above.

C. Future Plan of Action

As stated above.

D. Expenditure on R&D

As stated above.

E. Technology Absorption, Adaptation and Innovation

As stated above.

F. Pollution Control

As stated above.

G. Foreign Exchange Earnings and Outgo

Nil.

By order of the Board

Sd. S. K. Modi

Managing Director

Kolkata.

Dated : the 13th day of November, 2013.

ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 2

CORPORATE GOVERNANCE

A. MANAGEMENT DISCUSSION AND ANALYSIS REPORT.

I. INDUSTRIES STRUCTURE & DEVELOPMENT.

the Company's two units namely Steel Division at Patna and Polymers division at Gaziabad were catering to meet the demand of the Jelly filled telephone cable industries (JFTC). Due to complete change in Technology the company producing JFTC in India have become sick and mostly not-in-operation. Due to such reason this Company also became sick and assets of all units at Patna and at Gaziabad were taken over and sold by ARCIL on behalf of the Company's Secured Creditors under SARFAESI Act, 2002.

B. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE.

The object of the "Corporate Governance" & its compliance as required under clause 49 of the Listing Agreement is towards the achievement of high level of transparency & accountability to protect the interest of the shareholders. With this object the company has constituted Audit Committee, Remuneration Committee, Shareholders/Investors Grievance Committee etc to fulfill such objectives.

As required under SEBI rules, trading of the company's share have been made compulsory for dematerialisation from 26th February 2001 with an option to the shareholders to hold the same in physical form also. Further, in compliance with the directions of the SEBI for appointment of common agent in respect of share transfer & other related matters, both in physical & demat form, the company has appointed M/s MCS Ltd., Kolkata as its Share transfer Agent with all authorities to serve the Shareholders/Investors to their satisfaction and to comply with the other requirements under SEBI Rules, Listing Agreement and other related Acts and Rules thereunder.

C. Composition of Board of Directors as at 31-03-2013

No of shares held (Equity)

1. Shri S. K. Modi, Managing Director/Promoter	360550
2. Shri A. K. Chatterjee, Independent and Non-executive Director/Non Promoter	
3. Shri V. K. Singhania, Executive Director/ Promoter	332
4. Shri A. K. Kundu, Independent & Non-executive Director/Non Promoter	Nil
5. Shri A. K. Choudhury, Non-executive & Independent Director / Non Promoter	Nil

D. Attendance of the Directors in the Meeting held during the year 2012-13.

Name of the Director	No of Meeting held	No of Meeting attended	Attendance in last 1 AGM on 29-12-2012	No of Directors in other public Co.	No. of outside committee chairman/ member
Shri S. K. Modi	Four	Four	Not attended	Nil	Nil
Shri A. K. Chatterjee	Four	Four	Not attended	2	Nil
Shri V. K. Singhania	Four	Two	Attended	Nil	Nil
Shri A. K. Kundu	Four	Four	Not attended	Nil	Nil
Shri A.K. Choudhury	Four	Four	Not attended	Nil	Nil

E. Dates of Board Meeting Held during the year 2012-13.

Date of Board Meeting

On 28th June 2012
 On 12th September 2012
 On 26th November 2012
 On 26th March 2013

F. AUDIT COMMITTEE

CONSTITUTION OF AUDIT COMMITTEE as at 31st March 2013.

1. Description of Term & Reference - The Board of Directors at their meeting held on 28-09-01 has delegated the Audit Committee those powers and responsibilities as are provided under section 292 (A) of the Companies Act 1956.

ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 2 (Contd.)

2. Composition of Audit Committee as at 31st March 2013:-

Shri A. K. Chatterjee	-	Chairman	-	Independent & Non-executive Director. having considerable experience and expertise in the field of finance and Accounts
Shri S. K. Modi	-	Member	--	Executive Director
Shri V. K. Singhania	-	Member	--	Executive Director
Shri A. K. Kundu	-	Member	--	Independent & Non-executive Director.
Shri A.K. Choudhury	-	Member	--	Independent & Non-executive Director.

3. No of Meeting of Audit Committee held during the year 2012-13 --- 3(Three)

12th September 2012, 8th November 2012, 28th February 2013.

4. Attendance in the Audit Committee during the year 2012-13

Shri A. K. Chatterjee	--	Three
Shri S. K. Modi	--	Three
Shri V. K. Singhania	--	One
Shri A. K. Kundu	--	One
Shri A.K. Choudhury	--	One
Shri R.N. Dutta	--	Secretary of the Company is the Secretary of the Audit Committee

G. RECONSTITUTION OF REMUNERATION COMMITTEE.

In pursuance to the provision of the Company Act 1956, your Board of Directors at their meeting held on 28th June 2013 has reconstituted Remuneration Committee. Remuneration Committee consisting of Shri A K Chatterjee, Shri A. K. Kundu and Shri A. K. Choudhury. All are non-executive and Independent Directors. Meeting of Remuneration committee was held on 12th September 2012 to approve reappointment of Shri S. K. Modi as Managing Director of the Company for three years with effect from 1st December 2012 on the existing terms.

H. REMUNERATION PAID TO EXECUTIVE & NON-EXECUTIVE DIRECTOR DURING THE YEAR 2012-13

A) For Executive Director (' in Lac)

Name	Salary	Perquisites & Others	Commission	Total
Sri S. K. Modi Managing Director	7.20	0.00	Nil	7.20
Sri V. K. Singhania	1.92	0.16	Nil	2.08

B) For Non-Executive Directors/Independent Director's

The Non-Executive Directors are paid only sitting fees @ '5,000/- for attending Board Meeting. Audit Committee Meeting and Remuneration Committee Meeting. Shri V. K. Singhania Executive Director and in-charge of the Units at Patna was paid setting fees @ '2,000/- for attending Board Meeting and Audit Committee Meeting. No setting fees was paid to Shri S. K. Modi, the Managing Director of the Company.

Audit Committee

Name	Board Meeting	Meeting	Remuneration Committee Meeting	Total
Sri A. K. Chatterjee	20,000	15,000	5,000	40,000
Sri A. K. Chowdhury	20,000	5,000	5,000	30,000
Sri A. K. Kundu	20,000	5,000	5,000	30,000
Sri V. K. Singhania	4,000	2,000		6,000
	<u>64,000</u>	<u>27,000</u>	<u>15,000</u>	<u>1,06,000</u>

ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 2 (Contd.)

I. CONSTITUTION OF SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE.

In compliance with provision of the Listing Agreement the Board of Directors has constituted share holders/investors Grievances Committee at their meeting held on 30th October 2002, Shri A. K. Chatterjee being the Chairman of the said committee.

J. Number of shareholders' complaints received and solved to the satisfaction of the shareholders.

- i. During the financial year ended 31st March 2013 request/complaint letters were received from the shareholders NIL
- ii. Number of pending share transfers as:- on 31-03-2013 there were no pending request/letters involving transfer of shares.
- iii. Compliance Officer : Shri R.N. Dutta, Secretary of the company is the compliance officer under listing agreement.

K. GENERAL BODY MEETING:-

i) Last three Annual General Meetings were held as under: -

For Financial year ended	Date of the Annual General Meeting	Time	Location
31-03-2012	29-12-2012 No of Special Resolution-One	10.30 A.m.	Flat No.2, Shamkunj Apartment, Basant Vihar Colony, Boaring Road, Patna – 800 001.
31-03-2011	11-07-2011 No of Special Resolution-Nil	10.30 A.m.	Flat No.2, Shamkunj Apartment, Basant Vihar Colony, Boaring Road, Patna – 800 001.
31-03-2010	27-09-2010 No of Special Resolution-Nil	10.30 A.m.	Asiana Glasys, Room No. 37, 3 rd Floor, Exhibition Road, Patna – 800 013.

ii) No special resolution was required to be put through postal ballot last year and there is no proposal for this financial year also.

L. DISCLOSURES; -

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

There were no transactions of material nature with the Directors or the management, their subsidiaries or relatives during the year, which may have potential conflict with the interests of the company at large except as reported in the Notes on Accounts in Schedule 17 annexed to the Balance Sheet as at 31st March 2013.

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

As there was some delay in publication of the Quarterly result of the Company due to closure of the units at Patna since 1st April 2001 and non availability of financial result, the Stock Exchange at Mumbai had unilaterally suspended the trading of the shares of the Company with effect from 27th January 2004 in spite of several clarifications and personal representative to explain the reasons for delay. Presently the operations of all units of the Company were stopped. The movable and immovable assets of units were taken over by the Secured Creditors under SARFAESI Act 2002. The Assets at the units at Patna and Hind Polymers were sold by the said Secured Creditors. As such as there is no operation of the Companies, there is no publication of the financial result of the Company. There is no incoming fund also except some outstanding collection from Debtors.