

**KAMALAKSHI FINANCE CORPORATION LIMITED**

**ANNUAL REPORT**

**2010-2011**

**NOTICE** is hereby given that the Annual General Meeting of the Members of Kamalakshi Finance Corporation Limited will be held on 30<sup>th</sup> day, September, 2011, at 11.30 a.m at registered office of the Company situated at Tanna House II, Floor II ,A Nathalal Parekh Marg, Colaba, Mumbai-400039 to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Balance Sheet as at 31st March, 2011, the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Prasanna Vyas, who retires by rotation and being eligible, offers himself for reappointment.
3. To re-appoint Messrs. Ramesh M Sheth & Associates, Chartered Accountants, Mumbai, as the Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

By Order of the Board of Directors  
For Kamalakshi Finance Corporation Limited

Sd/-  
Director

Registered Office:

Tanna House II, Floor II ,  
A Nathalal Parekh Marg,  
Colaba, Mumbai-400039.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER

The Proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time appointed for holding the Meeting.

2. Members/proxies should bring the attendance slip duly filled in for attending the meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from 27<sup>th</sup> September, 2011 to 30<sup>th</sup> September, 2011 both days inclusive.

# KAMALAKSHI FINANCE CORPORATION LTD.

Redg office : Tanna House, 2 nd Floor,  
11/A , Nathalal Parekh Marg,  
Mumbai - 400 039. (India)  
Tel. No. : 2202 1482

## DIRECTOR'S REPORT 2010-2011

Dear Members,

Your Directors are pleased to present their Report together with Audited Statement of Accounts on working of the Company for the year ended 31st March, 2011.

### FINANCIAL RESULTS :

Your company has earned Profit of Rs.1,27,750/- (Previous Year - Loss Rs. 22,530/-) for the year ended 31st March, 2011.

### DIVIDEND :

The Company has not declared any dividend during this year in view of expansion activities.

### EMPLOYEES :

The Company has had no employees during the year.

### DISCLOSURES OF PARTICULARS :

The requirements of reporting on the Disclosures of particulars as per the Companies (Disclosure of particulars in the Report of the Board of Directors), Rules, 1988, are not applicable to the company.

### AUDITORS :

M/s. Ramesh M. Sheth Associates, Chartered Accountants retire at the forthcoming Annual General Meeting and have expressed their willingness to continue as Auditors if re-appointed at the Annual General Meeting. The necessary certificate regarding eligibility under section 224 (1B) of the Companies Act, 1956 has also been received by the Company.

### BOARD OF DIRECTORS:

Mr. Prasanna Vyas retire by rotation and being eligible, offers himself for re-appointment.

### RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS :

In Pursuance of Section 217(2AA) of the Companies Act, 1956, ("the Directors state , as an averment of their responsibility that:

- i) the Company has in the preparation of the annual accounts followed the applicable accounting standards along with proper explanations relating to material departures, if any;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2011.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) The Directors have prepared the annual accounts on a 'going concern' basis.

### ACKNOWLEDGEMENTS :-

Yours Directors express their grateful appreciation for the co-operation received from Bank and share holders of the company during the year under review.

FOR AND ON BEHALF OF THE BOARD  
KAMALAKSHI FINANCE CORPORATION LTD.

PLACE : MUMBAI  
DATE : 05.09.2011

sd/-  
CHAIRMAN

# Ramesh M. Sheth & Associates

## Chartered Accountants

1/A, Mulji Mistry Bldg., 1<sup>st</sup> Floor, Tejpal Road, Vile Parle (East), Mumbai - 400 057.

Tel: 26116260 / 26166064 FAX : 26166577 Email: mehul68@gmail.com

### Auditor's Report

To the Members  
Kamlakshi Finance Corporation Limited

We have audited the attached Balance Sheet of **KAMLAKSHI FINANCE CORPORATION LIMITED** as at 31st March 2011 and Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of Sub-section (4) of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. On the basis of audit conducted by us we report as under :
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - iii) 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.
  - iv) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - v) In our opinion, the Balance Sheet and Profit and Loss account dealt by this report comply with the mandatory accounting standards referred in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable.
  - vi) In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on 31st March, 2011, from being appointed as directors in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and present true and fair view, in conformity with the accounting principles generally accepted in India:
    - (a) In so far it relates to Balance Sheet of the state of affairs of the Company as at 31st March, 2011;
    - (b) In so far as it relates to Profit and Loss Account of the Profit of the Company for the year ended on that date.
    - (c) In so far as it relates to Cash flow statement of the Cash Flow of the Company for the year ended on that date.

PLACE : MUMBAI  
DATED : 5<sup>th</sup> September, 2011

FOR RAMESH M. SHETH & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
M. R. SHETH  
(PARTNER)  
M. No. 101598  
FRN 111883W

Annexure to Auditors' Report

Referred to in Paragraph 2 of our report of even date

1. In respect of its fixed assets:
  - a. The Company does not have any fixed assets and hence para 4(i) of the Order is not applicable.
2. In respect of its inventories:
  - a. The Company does not have any inventories and hence para 4(ii) of the Order is not applicable.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
  - a. The Company has not taken any fresh loans loan from any parties during the year and has not granted loans and showing outstanding payable or receivable at the end of the year.
  - b. In absence of any terms and conditions hereto in respect to loans taken, we are unable to comment whether the rate of interest and repayment of principal amount is prima facie prejudicial to the Company.
  - c. In absence of terms and conditions hereto we are unable to comment whether there is any overdue amount outstanding to the parties stated above as regards to payment of interest and principal amount.
4. The Company has adequate internal control system commensurate with the size of the Company and nature of its business for purchase of assets and inventories and sale of securities.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
  - a. In our opinion and according to the information and explanation given to us the transaction made in pursuance to the contract or arrangement that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
  - b. In our opinion and according to the information and explanation given to us the company has not made any transactions in pursuance to the contract or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding Rs. 5,00,000/- in respect of any party during the year.
6. The Company has not accepted any deposits from the public.
7. *There is no internal audit system commensurate with the size and nature of its business.*
8. The Central Government has not prescribed to maintain cost records and hence para 4(viii) of the Order is not applicable.
9. In respect of statutory dues:
  - a. According to the records of the Company, the Company is not required to deduct statutory dues in the form of Provident Fund only. The Company is regular in depositing its dues. The Company is not required to deduct Investor Education and Protection Fund and Employees' State Insurance Scheme. There are no undisputed dues pending in respect to Income-tax, Sales-tax, Wealth tax, Customs Duty, Excise Duty, Cess and other statutory dues. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2011 for a period of more than six months from the date of becoming payable.

- b. The Company has no disputed amount payable to Sales tax, , Income tax, Wealth tax or Excise Duty Department.
10. The accumulated losses of the Company are more than fifty per cent of the net worth at the end of the financial year concerned. The Company has incurred cash losses during the financial year covered by our audit. In the immediately preceding financial year the Company had incurred cash losses.
  11. The Company has not defaulted in repayment of dues to bank.
  12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted during the year by the Company on the basis of security by way of pledge of shares, debentures and other securities.
  13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
  14. The Company has not dealt in trading in shares and securities and hence Para (xiv) is not applicable.
  15. The Company has not given any guarantees for loans taken by others from banks or financial institutions and hence para 4(xv) of the Order is not applicable.
  16. The Company has not raised any new term loans during the year.
  17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilised any short term funds for long term and vice versa.
  18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
  19. The Company has not issued any debentures and hence para 4(xix) of the Order is not applicable.
  20. The Company has not raised any money by way of public issue during the year.
  21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For Ramesh M. Sheth & Associates  
Chartered Accountants

Mumbai  
Dated: 5<sup>th</sup> September, 2011

Sd/-  
(M.R. Sheth)  
Partner  
M. No. 101598  
FRN 111883W



# KAMALAKSHI FINANCE CORPORATION LTD

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	SCH	YEAR ENDED 31.03.2011 RUPEES	YEAR ENDED 31.03.2010 RUPEES
<b><u>INCOME :</u></b>			
<b><u>BUSINESS INCOME</u></b>			
Consultancy Charges Received		130,000	-
Interest Received		33,180	-
TOTAL RS.		<u>163,180</u>	<u>-</u>
<b><u>EXPENDITURE :</u></b>			
Administrative Expenses	IV	35,430	22,530
TOTAL RS.		<u>35,430</u>	<u>22,530</u>
PROFIT / (LOSS) BEFORE TAXATION		127,750	(22,530)
PROVISION FOR TAXATION / MAT		(24,000)	-
PROFIT / (LOSS) AFTER TAXATION		<u>103,750</u>	<u>(22,530)</u>
Tax Deducted at Source		-	-
		<u>103,750</u>	<u>(22,530)</u>
BALANCE B/F FROM PREVIOUS YEAR		(115,435)	(92,905)
BALANCE TRANSFER TO GENERAL RESERVE		<u>(11,685)</u>	<u>(115,435)</u>

NOTES FORMING PART OF ACCOUNTS N - 1

AS PER OUR REPORT OF EVEN DATE

FOR RAMESH M. SHETH & ASSOCIATES  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-

MEHUL R.SHETH

PARTNER

M.No.101598

PLACE : MUMBAI

DATE : 5th September, 2011

Sd/-

DIRECTOR

PLACE : MUMBAI

DATE : 5th September, 2011

Sd/-

DIRECTOR

**KAMALAKSHI FINANCE CORPORATION LTD**  
**SCHEDULES I TO IV ATTACHED TO AND FORMING PART OF THE BALANCE**  
**SHEET AS AT 31ST MARCH, 2011**

	AS AT 31.03.2011 RUPEES	AS AT 31.03.2010 RUPEES
<b><u>SCHEDULE - I</u></b>		
<b><u>SHARE CAPITAL :</u></b>		
<b>AUTHORISED SHARE CAPITAL :</b>		
250,000 Equity shares of Rs.10 each	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP :</b>		
50,000 Unclassified shares of Rs.10 each	500,000	500,000
<b>TOTAL</b>	<u><u>500,000</u></u>	<u><u>500,000</u></u>

**SCHEDULE - II**  
**CURRENT ASSETS, LOANS & ADVANCES :**  
**a) CASH & BANK BALANCES**

Cash on hand	555	555
Balance with Scheduled Banks in Current A/C.		
Indian Bank	19,020	413,826
<b>TOTAL(a)</b>	<u>19,575</u>	<u>414,381</u>

**b) LOANS AND ADVANCES**

Indian Bank Fixed Deposit	388,927	-
I.Tax on Interest (A.Y.2011-12)	1,535	-
I.Tax On Consultance Fees (A.Y.2011-12)	13,000	-
Nearctic Finance & Leasing Pvt.Ltd.	117,000	-
Prepaid Expenses	8,000	-
	<u>528,462</u>	<u>-</u>
<b>TOTAL(a+b)</b>	<u><u>548,037</u></u>	<u><u>414,381</u></u>

**SCHEDULE - III**  
**CURRENT LIABILITIES AND PROVISIONS :**

**a) CURRENT LIABILITIES :**

**i) SUNDRY CREDITORS FOR EXPENSES :**

LJTanna Shares and Securities Pvt.Ltd	10,000	-
Ramesh M.Sheth & Associates	12,286	12,286
Ramesh M.Sheth & Co.	3,000	2,500
Rakseh S.Sanghani	-	4,000
Listing Fees Pble	10,436	11,030
<b>TOTAL(a)</b>	<u>35,722</u>	<u>29,816</u>

**ii) PROVISIONS:**

Provision for Mat (A.Y.2011-12)	24,000	-
<b>TOTAL(b)</b>	<u>24,000</u>	<u>-</u>
<b>(TOTAL a+b)</b>	<u><u>59,722</u></u>	<u><u>29,816</u></u>

**SCHEDULES V ATTACHED TO AND FORMING PART OF THE**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

	YEAR ENDED 31.03.2011 RUPEES	YEAR ENDED 31.03.2010 RUPEES
<b><u>SCHEDULE - IV</u></b>		
<b><u>ADMINISTRATIVE EXPENSES :</u></b>		
Bank Charges	140	-
Filing Fees	1,000	5,500
Listing Fees	21,466	11,030
Audit Fees	5,000	1,000
Professional Fees	5,515	5,000
Service Tax	309	-
Profession Tax	2,000	-
<b>TOTAL</b>	<u><u>35,430</u></u>	<u><u>22,530</u></u>



# KAMALAKSHI FINANCE CORPORATION LIMITED

Tanna House, 2<sup>nd</sup> Floor, 11/A, Nathalal Parekh Marg, Colaba, Mumbai-400 039

## SCHEDULES FORMING PART OF THE ACCOUNTS

### SCHEDULE -N-1

#### NOTES TO ACCOUNTS

##### (A) Significant Accounting Policies

#### 1.1 Basis of Preparation of Financial Statements

These financial statements have been prepared on the accrual basis of accounting, under the historical cost convention and in accordance with the Companies Act, 1956 and the applicable accounting standards issued by the Institute of Chartered Accountants of India.

#### 1.2 Valuation of Investments

Long-term investments are stated at cost of acquisition unless there is permanent fall in its realization value which is provided for.

#### 1.3 Revenue Recognition

Expenses are recognized on accrual basis and provisions are made for all known losses and expenses. Dividend income is recognized when the right to receive dividend is established. Interest income is recognized on the time proportion method.

#### 1.4 Taxation

Provision for current Income Tax is made in accordance with the Income Tax Act, 1961. In accordance with Accounting Standard 22 Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, the deferred tax liability for timing differences between book and tax profits occurs when there are actual taxable profits for the year. Deferred tax assets are not recognized unless there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### 1.5 Basic Earnings per Share

Basic Earnings per share is determined by dividing net income by the weighted average number of shares outstanding during the years.

##### (B) OTHER NOTES

#### (1) Administrative Expenses include amounts paid/payable to the Auditors:

<u>Particulars</u>	<u>2010-2011</u>	<u>2009-2010</u>
Audit Fees	5,000	1,000
Total	5,000	1,000

#### (2) Earning per share as required by the Accounting Standard 20 :

	<u>2010-2011</u>	<u>2009-2010</u>
(a) Weighted Average number of equity shares of Rs. 10 each outstanding during the year	50,000	50,000
(b) Net Profit after tax available for equity Shareholders (Rs.)	1,27,750	(22,530)
(c) Basic & Diluted Earnings (in Rupees) per share	2.56	--

(3) The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments under Accounting Standard -17 dealing with Segment Reporting.

(4) In the opinion of the Board of Directors, Current Assets, loans & advances have the value at least equal to the value at which they are stated in the Balance Sheet if realized, in the ordinary course of business.

(5) Figures of the previous year have been regrouped / rearranged / reclassified wherever necessary.

For Ramesh M. Sheth & Associates  
Chartered Accountants

For and on behalf of the Board

Sd/-  
M.R.Sheth  
(Partner)  
Membership No.101598  
Mumbai  
Date : 05.09.2011

Sd/-  
Director

Sd/-  
Director