

**KAMALAKSHI FINANCE CORPORATION LIMITED**

**ANNUAL REPORT  
FOR THE YEAR 2011-2012**

# **KAMALAKSHI FINANCE CORPORATION LIMITED**

REGD. OFFICE: 11/A, TANNA HOUSE, 2<sup>ND</sup> FLOOR, NATHALAL  
PAREKH MARG, COLABA, MUMBAI-400039.  
Tel No.-022-22021482, Fax No.-022-22028806  
Web site-www.kamalakshifinance.com, email-id: kamalakshifinance@gmail.com

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## NOTICE

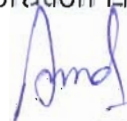
NOTICE is hereby given that the 39<sup>TH</sup> ANNUAL GENERAL MEETING of the Members of Kamalakshi Finance Corporation Limited will be held on Thursday, 13<sup>th</sup> day of September, 2012 at 11.00 a.m. registered office of the company at Tanna House, II floor, 11/A Nathalal Parekh Marg, Colaba, Mumbai - 400039 to transact the following business.

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### ORDINARY BUSINESS

1. To consider and adopt Balance Sheet as at 31<sup>st</sup> March, 2012, the Profit & Loss Account for the year ended on that date and the reports of Directors & Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of those retiring by rotation and being eligible, offers himself for reappointment.
4. To Appoint LAHOTI NAVNEET & CO, Chartered Accountants, Mumbai, as the Auditors of the Company to hold the office till the conclusion of next AGM in place of retiring auditors RAMESH M. SHETH & ASSOCIATES, Chartered Accountants and to authorize the Board of Directors to fix their remuneration.

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



Director

Date: 13.08.2012  
Place: MUMBAI

# **KAMALAKSHI FINANCE CORPORATION LIMITED**

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## **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 9<sup>th</sup> September, 2012 to 13<sup>th</sup> September (both days inclusive).

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## **DIRECTOR'S REPORT**

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 31<sup>st</sup> March, 2012.

### 1. FINANCIAL RESULT

Your company has earned Profit of Rs. 1,40,234/- (Previous Year - Profit Rs. 1,27,750/-) for the year ended 31<sup>st</sup> March, 2012.

### 2. DIVIDEND :

The board of director has recommended a dividend of Rs 0.50 per Equity Share for the financial year ended 31<sup>st</sup> March 2012.

### 3. EMPLOYEES :

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.

### 4. AUDITORS :

M/S. Ramesh M. Sheth Associates, Chartered Accountants retire at the forthcoming Annual General Meeting and LAHOTI NAVNEET & CO, Chartered Accountants, Mumbai as the Auditors of the Company to hold the office till the conclusion of next AGM 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.

### 5. BOARD OF DIRECTORS:

The directors retire by rotation and being eligible, offers himself for re-appointment.

# **KAMALAKSHI FINANCE CORPORATION LIMITED**

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## **6. 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 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 31<sup>st</sup> March 2012.
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,1956, for safeguarding the assets of the company and for preventing and detecting and other irregularities; and
- iv) The Directors had prepared the Annual Accounts on a 'going concern' basis.

## **7. ACKNOWLEDGEMENTS :-**

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

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

  
CHAIRMAN

Place: Mumbai

Date: 13/08/2012

**Ramesh M. Sheth & Associates**  
**Chartered Accountants**

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1-A, Mulji Mistry Bldg., 1<sup>st</sup> Floor, Tejpal Road, Vile Parle (East), Mumbai – 400 057  
Tel : 26116260; 26166064; Fax : 26176577; Email : [mehul68@gmail.com](mailto:mehul68@gmail.com)

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**AUDITOR'S REPORT**

To,  
The Members of  
Kamalakshi Finance Corporation Limited.

We have audited the attached Balance Sheet of KAMALAKSHI FINANCE CORPORATION LIMITED, as at 31<sup>st</sup> March 2012 and the 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.

We conducted our audit in accordance with the 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.

1. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of Sub-section (4) of the Companies Act, 1956, we enclosed in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. On the basis of audit conducted by us we report as under :
  - a. We have obtained all information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by Law have been kept by the company, so far as appears from our examination of those books.



- c. The Balance sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of Account.
- d. In our opinion, the Balance Sheet and the Profit & 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.
- e. In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
- f. In our opinion and to the best of our information and according to the explanations given to us, the said Account 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 accounting principles generally accepted in India:
- i) In so far as it relates to the Balance sheet of the state of affairs of the Company as at 31<sup>st</sup> March, 2012,
- ii) In so far as it relates to the Profit & Loss Account of the Profit of the company for the year ended on that date.
- iii) 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

Date: 13/08/2012

FOR RAMESH M. SETH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN 111883W



*M.R. Seth*  
M.R. SETH  
(PARTNER)  
M. No. 101598

### **Annexure to Auditor's Report**

Referred to in paragraph 2 of our report of even date:

- I. In respect of its fixed assets:
1. The company does not have any fixed assets and hence para 4(i) and (ii) of the Order are not applicable.
- II. In respect of its inventories:
1. The Company does not have any inventories and hence para 4 (iii) and (iv) of the Order are not applicable.
- III. 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 granted unsecured loans, to one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs. 0.10 lakhs and year end balance of such loan was Rs. Nil.
  - b. In absence of any terms and conditions hereto we are unable to comment whether the rate of interest and repayment of principal amount is prima facie prejudicial to the interest of the Company.
  - c. In absence of any terms and conditions we are unable to comment whether the parties are regular in payment of principal amount and interest thereon.
  - d. The Company has taken unsecured loan from one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs. 8.20 lakhs and year end balance of such loan was Rs. 4.00 lakhs.





- e. In absence of any terms and conditions hereto we are unable to comment whether the rate of interest and repayment of principal amount is prima facie prejudicial to the interest of the Company.
  - f. In absence of any terms and conditions we are unable to comment whether the payment of principal amount and interest thereon is regular.
- IV.** 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 sales of goods.
- V.** In respect of transaction covered under Section 301 of the Company 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 transaction in pursuance to the contract or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding Rs. 50,00,00/- in respect of any party during the year.
- VI.** The Company has not accepted any deposit from the public.
- VII.** There is no internal audit system commensurate with the size and nature of its business.
- VIII.** The Central Government has not prescribed to maintain cost records and hence para 4(viii) of the Order is not applicable.



**IX.** In respect of statutory dues:

- a) 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 2012 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.

**X.** The Company has no accumulated losses. The Company has not incurred any cash losses during the financial year covered by our audit and also in the immediately preceding financial year.

**XI.** The Company doesn't have any loan outstanding to pay, so question of defaulting in payment does not arise.

**XII.** 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.

**XIII.** 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.

**XIV.** The Company has not dealt in trading in shares and securities and hence para (xiv) is not applicable.

**XV.** The company has not given any guarantee for the loans taken by others from the banks or financial institutions and hence para 4(xv) of the Order is not applicable.



- XVI.** The Company has not raised any new term loans during the year.
- XVII.** According to information and explanation 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 utilized any short term funds for long term and vice versa.
- XVIII.** During the year the company has not made any preferential allotments of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- XIX.** The company has not issued any debentures and hence para 4(xix) of the order is not applicable.
- XX.** The company has not raised any money by way of public issues during the year.
- XXI.** In our opinion and according to information and explanation given to us, no frauds on or by the company has been noticed or reported during the year that causes the financial statement to be materially misstated.

Place: Mumbai  
Date: 13/08/2012

FOR RAMESH M. SHETH & ASSOCIATES  
Chartered Accountants  
FRN 111883W



A handwritten signature in blue ink, appearing to read "M.R. Sheth".

(M.R. SHETH)  
Partner  
Membership No. 101598

# KAMALAKSHI FINANCE CORPORATION LTD

## Balance Sheet as at 31st March, 2012

Amount in(Rs.)

Particulars	Note No	31.03.2012	31.03.2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	2.1	500,000	500,000
Reserves and Surplus	2.2	56,360	(11,685)
<b>Current Liabilities</b>			
Short-term borrowings	2.3	400,000	10,000
Trade payables	2.4	1,108,800	-
Other current liabilities	2.5	23,619	25,722
Short-term provisions	2.6	70,594	9,465
<b>Total</b>		<b>2,159,373</b>	<b>533,502</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Trade receivables	2.7	2,113,300	
Cash and cash equivalents	2.8	40,073	19,575
Other current assets	2.9	6,000	513,927
<b>Total</b>		<b>2,159,373</b>	<b>533,502</b>

Significant accounting Policies  
Notes on Financial Statements

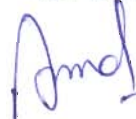
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As per our report of even date

For **Ramesh M Sheth & Associates**

**Chartered Accountants**

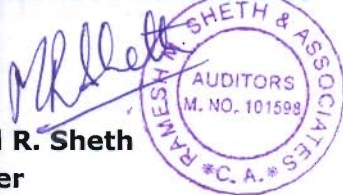
For on and behalf of the Board



Sumeet Kumar Upadhye

**Director**

**Director**



**Mehul R. Sheth**  
Partner

**M. No. 101598**

**FRN : 111883W**

Place: Mumbai

Date : 13.08.2012

# KAMALAKSHI FINANCE CORPORATION LTD

## Profit and Loss statement for the year ended 31st March, 2012

Particulars	Note No	31.03.2012	31.03.2011
Revenue from Operations	2.10	2,198,388	163,180
Total Revenue		<b>2,198,388</b>	163,180
Expenses:			
Purchase of Stock-in-Trade	2.11	1,108,800	-
Other expenses	2.12	949,354	35,430
Total Expenses		<b>2,058,154</b>	35,430
Profit before tax		<b>140,234</b>	127,750
Tax expense:			
Current tax		43,350	24,000
Deferred tax			
Profit/(Loss) for the period		<b>96,884</b>	103,750
Earning per equity share:			
Basic		1.94	2.08
Diluted		1.94	2.08

Significant accounting Policies

1&2

Notes on Financial Statements

As per our report of even date

**For Ramesh M Sheth & Associates**

**Chartered Accountants**

**Mehul R. Sheth**

Partner

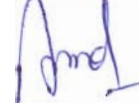
M. No. 101598

FRN : 111883W

Place: Mumbai

Date : 13.08.2012

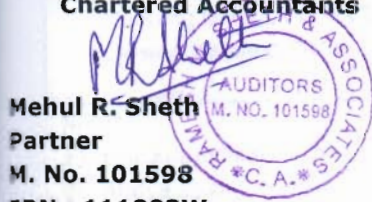
**For on and behalf of the Board**



**Director**

Suneel Kumar Upadhye

**Director**



**KAMALAKSHI FINANCE CORPORATION LIMITED**  
**Cash Flow Statement for the Year Ended 31.03.2012**

		Amount(Rs.)	
	Particulars	2011-12	2010-11
<b>A</b>	<b>Cash Flow From Operating Activities</b>		
	<b>Net Profit before Tax and Prior Period Items</b>	140,234	127,750
	Adjustment for:		
	Depreciation	-	-
	Interest Income	(5,088)	(33,180)
	<b>Operating Profit before working Capital Changes</b>	135,146	94,570
	Adjusted for:		
	Trade Payables and Provision	1,496,696	5,906
	Trade Receivables & Other Current Assets	(2,111,300)	(8,000)
	<b>Cash Generated form Operation</b>	(479,458)	92,476
	Tax Provided / Paid		
	TDS	(1,909)	(14,535)
	Income Tax Paid	(9,150)	-
	<b>Cash Flow Before Extraordinary Items and PPI</b>	(490,517)	77,941
	Extraordinary Items	-	-
	Prior Period Items	-	-
	<b>Net Cash From Operating Activity</b> <span style="float: right;"><b>A</b></span>	(490,517)	77,941
<b>B</b>	<b>Cash From Investing Activities</b>	-	-
	Loans & Advance	117,000	(117,000)
	Interest Income	5,088	33,180
	<b>Net Cash From Investing Activity</b> <span style="float: right;"><b>B</b></span>	122,088	(83,820)
<b>C</b>	<b>Net Cash From Financing Activity</b> <span style="float: right;"><b>C</b></span>	-	-
	Net Increase/Decrease in Cash & Cash Equivalents (A+B+C)	(368,429)	(5,879)
	Opening Balance C & CE	408,502	414,381
	Closing Balance C&CE	40,073	408,502

Notes:

- 1) Bracket indicates cash outflow.
- 2) Above Cash Flow Statement has been prepared under indirect method as per Accounting Standard (AS-3) "Cash Flow Statement".
- 3) Previous year figures have been regrouped wherever necessary to confirm to current years classifications.

As per our report of even date

**For Ramesh M Sheth & Associates**  
**Chartered Accountants**

**Mehul R. Sheth**

**Partner**

**M. No. 101598**

**FRN : 111883W**

For on and behalf of the Board

**Director**

**Director**

Place: Mumbai

Date : 13.08.2012

# **KAMALAKSHI FINANCE CORPORATION LTD**

## **NOTES FORMING PART OF THE ACCOUNTS**

### **NOTES-1 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 Revenue Recognition**

Expenses are recognized on accrual basis and provisions are made for all known losses and expenses. Interest income is recognized on the time proportion method.

#### **1.3 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 the 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.

#### **1.4 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.

#### **1.5 Administrative Expenses include amounts paid/payable to the auditors:**

<u>Particulars</u>	<u>2011-2012</u>	<u>2010-2011</u>
Audit Fees	5618	5000

# **KAMALAKSHI FINANCE CORPORATION LTD**

1.5 Earning per share as required by the Accounting Standards 20:

	<u>2011-2012</u>	<u>2010-2011</u>
(a) Weighted Average number of equity Shares of Rs. 10 each outstanding during the year	50000	50000
(b) Net Profit after tax available for equity Shareholders (Rs.)	96884	103750
(c) Basic & Diluted Earnings (in Rs.) per share	1.94	2.08

1.7 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.

1.8 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.

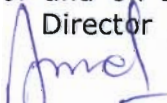
1.9 Figures of the previous year have been regrouped / rearranged / reclassified wherever necessary.


For Ramesh M. Seth & Associates  
Chartered Accountants



M.R. Sheth  
(Partner)  
M.No. 101598  
FRN : 111883W

For and on Behalf of Board of the  
Director

  
Director

  
Director

Place: Mumbai  
Date: 13.08.2012



# KAMALAKSHI FINANCE CORPORATION LTD

## Notes on financial Statements for the year ended 31st March, 2012

(Amount in Rs.)

Particulars	As at 31.03.2012	As at 31.03.2011
<b>Share Capital</b>		
<b>Authorised Share Capital</b>		
2,50,000 Equity shares of Rs.10/- each	2,500,000	2,500,000
<b>Issued, Subscribed and Paid up Capital</b>		
50,000 Equity shares of Rs.10/- each, fully paid up	500,000	500,000
For the details of Shareholders holding more than 5% shares :		
as on 31.03.2012 as on 31.03.2011		
No of Share % No of Share %		
Laxmikant J. Tanna 37260 74.52 49510 99.02		
	500,000	500,000
<b>Reserve &amp; Surplus</b>		
<b>Profit &amp; Loss</b>		
Opening Balance (As per last Balance Sheet)	(11,685)	(115,435)
Add : Profit for the Year	96,884	103,750
Add : Excess Provision for Income Tax written back	314	
Balance at the end of year	85,513	(11,685)
Less : Proposed Dividend on equity shares	25,000	-
Tax on proposed dividend	4,153	
	56,360	(11,685)
<b>Short Term Borrowings</b>		
L. J. Tanna Shares and Securities Pvt.Ltd	400,000	10,000
	400,000	10,000
<b>Trade Payables</b>		
Mandhana Industries Limited	1,108,800	-
	1,108,800	-
<b>Other Current Liabilities</b>		
Ramesh M. Sheth & Associates	10,183	12,286
Ramesh M. Sheth & Co.	3,000	3,000
Listing Fees Payable	10,436	10,436
	23,619	25,722

**KAMALAKSHI FINANCE CORPORATION LTD**  
**Notes on financial Statements for the year ended 31st March, 2012**

(Amount in Rs.)

Note	Particulars	As at	As at
2.6	<b>Short Term Provisions</b>		
	Proposed Dividend on equity shares	25,000	-
	Tax on proposed dividend	4,153	-
	Provision for Income Tax (net of TDS)	41,441	9,465
		<b>70,594</b>	<b>9,465</b>
2.7	<b>Trade Receivable</b>		
	Munirabad Trading Limited	2,113,300	-
		<b>2,113,300</b>	<b>-</b>
2.8	<b>Cash and cash equivalents</b>		
	Cash in hand	2,054	555
	<b>Balance with Scheduled Banks in Current A/C</b>		
	Indian Bank	38,019	19,020
		<b>40,073</b>	<b>19,575</b>
2.9	<b>Other Current Assets</b>		
	Fixed Deposits - Indian Bank	-	388,927
	Neartic Finance & Leasing Pvt Ltd	-	117,000
	Prepaid Exps	6,000	8,000
		<b>6,000</b>	<b>513,927</b>
2.10	<b>Income From Operations</b>		
	Sales & Services	2,193,300	130,000
	Interest Received	5,088	33,180
		<b>2,198,388</b>	<b>163,180</b>
2.11	<b>Purchase of Stock -in-Trade</b>		
	Purchases	1,108,800	-
		<b>1,108,800</b>	<b>-</b>
2.12	<b>Expenses</b>		
	Bank Charges	3,984	140
	Filing Fees	-	1,000
	Listing Fees	935,546	21,466
	Audit Fees	5,618	5,000
	Legal & Professional Fees	2,000	7,824
	NSDL Fees	2,206	-
		<b>949,354</b>	<b>35,430</b>

As per our report of even date  
**For Ramesh M Sheth & Associates**  
**Chartered Accountants**

*Mehul R. Sheth*  
**Mehul R. Sheth**  
**Partner**  
**M. No. 101598**  
**FRN : 111883W**  
 Place: Mumbai  
 Date : 13.08.2012



**For on and behalf of the Board**

*Suneel Kumar Upadhyay*  
**Director**

**Director**