

# **KAMALAKSHI FINANCE CORPORATION LIMITED**

**41<sup>ST</sup> ANNUAL REPORT 2013-2014**

# **KAMALAKSHI FINANCE CORPORATION LIMITED**

B/411, Crystal Plaza, New Link Road, Andheri West, Mumbai – 400 53

## **41<sup>ST</sup> ANNUAL REPORT**

### **BOARD OF DIRECTORS**

Mr. Dheeraj Shah	-	Managing Director
Mrs. Sheetal Shah	-	Director
Mr. Hetalkumar J. Shah	-	Director
Mr. Naresh Suresh Gurav	-	Director

### **BANKER:**

Axis Bank Ltd  
Dena Bank Ltd

### **AUDITORS:**

**M/s R. Soni & Co,**  
Chartered Accountants  
46 Mulji Jetha Bldg,  
Above Bank of Baroda,  
185/187 Princess Street,  
Marine lines -400002

### **REGISTRAR & TRANSFER AGENT**

**Purva Shareregistry (India) Pvt Ltd.**  
9, Shiv Shakti Industrial Estate,  
J.R. Boricha Marg, Lower Parel (E),  
Mumbai – 400 011.

### **CONTACT US:**

**Kamalakshi Finance Corporation Limited**  
B-411, Crystal Plaza,  
New Link Road,  
Opp Infinity Mall,  
Andheri (west),  
Mumbai – 400 053.  
Web site: [www.kamalakshifinance.com](http://www.kamalakshifinance.com)  
Email Id: [kamalakshifinance@gmail.com](mailto:kamalakshifinance@gmail.com)

# **NOTICE**

NOTICE is hereby given that the 41<sup>ST</sup> ANNUAL GENERAL MEETING of the Members of Kamalakshi Finance Corporation Limited will be held on Saturday, 14<sup>th</sup> Day of June 2014 at 3.00 p.m. registered office of the company at B/411, Crystal Plaza, New Link Road, Andheri West, Mumbai – 400 53 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, 2014, the Profit & Loss Account for the year ended on that date and the reports of Director's & Auditors thereon.
2. To appoint a Director in place of Mrs. Sheetal Shah (DIN No: 02767025) who retire by rotation and being eligible, offers herself for reappointment.
3. To Appoint R Soni & Co., Chartered Accountants (ICAI Re g. No.130349W), Mumbai, as the Auditors of the Company to authorize the Board of Director to fix their remuneration.

## **SPECIAL BUSINESS:**

### **4. Regularization of appointment of Ms. Sheetal Dheeraj Shah as an Additional Director**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED that Mrs. Sheetal Shah (holding DIN 02767025), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st October, 2013, in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.

### **5. Regularization of appointment of Hetalkumar J. Shah as an Additional Director.**

To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED that Mr. Hetalkumar J. Shah , who was appointed as an Additional Director of the Company by the Board of Directors with effect from 15<sup>th</sup> May, 2014, in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.

### **6. Regularization of appointment of Mr. Naresh Suresh Gurav as an Additional Director.**

To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED that Mr. Naresh Suresh Gurav (holding DIN 06826448), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 15<sup>th</sup> May, 2014, in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at the Annual General

Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.

## **7. Appointment of Mr. Dheeraj Shah as Managing Director of Company**

To consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution

“RESOLVED THAT pursuant to Sections 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to provisions of Articles of Association of Company, the consent of the Company be and is hereby accorded for appointment of Mr. Dheeraj Shah (DIN: 02072433) as the Managing Director of the Company, for a period of Five years with effect from 15th May, 2014 to 14th May, 2019 on the terms and conditions including remuneration as set out in the agreement entered into between the Company and Mr. Dheeraj Shah (DIN: 02072433) and reproduced in the Explanatory Statement enclosed herewith, which is hereby specifically sanctioned, with liberty to the Board of Directors (hereinafter referred to as “the Board” which shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said appointment and / or remuneration and / or agreement in the best interest of the Company so as not to exceed the limits specified in Schedule V to the Companies Act 2013, including any statutory modification or re-enactment thereof, for the time being in force or any amendments and / or modification that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mr. Dheeraj Shah.

**RESOLVED FURTHER THAT** the board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

## **8. To Increase the Authorised Share Capital of the Company and alteration of Memorandum of Association of the Company**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant Rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the provisions of the Memorandum and Articles of Association of the Company, the Authorised Share Capital of the Company be and is hereby increased from Rs. 25,25,00,000/- (Rupees Twenty five Crores and twenty Five Lakhs only) divided into 2,52,50,000/- (Two Crore Fifty Two Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 33,25,00,000/- (Rupees Thirty three Crores and Twenty Five Lakhs only) divided into 3,32,50,000/- (Three Crores Thirty Two Lacs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of the Section 61 of the Companies Act, 2013 the existing Clause V of the Memorandum of Association of the Company be altered by substituting the following:

**V. A.** The Authorised Share Capital of the Company Rs. 33, 25, 00,000/- (Rupees Thirty Three Crores and Twenty Five Lakhs only) divided into 3,32, 50,000/- (Three Crores Thirty Two Lacs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each.”

**B.** Paid up capital of the Company shall be minimum of Rs 5, 00,000/- (Rupees Five Lacs Only)

“**RESOLVED FURTHER THAT** Board of Director of the Company and / or any one authorized on his behalf be and are hereby severally authorized to do all such deeds, acts, matters and things necessary to give effect to the above resolution including signing and filing the necessary forms with the Registrar of Companies, Mumbai in order to give effect to the above resolution

## 9. To Allot Equity Shares on Preferential basis to Promoters and Non Promoters.

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

“RESOLVED THAT in accordance with the provisions of section 62 and other applicable provisions if any of the Companies Act, 2013 and rules thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed and in accordance with the existing guidelines issued by the Securities and Exchange Board of India (SEBI) and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such necessary approvals, consents , permissions and / or sanctions of the Government of India, Reserve Bank of India, Foreign Investment Promotion Board, Secretarial of Industrial Approvals under the Foreign Exchange Management Act, 1999 (including any statutory modification or reenactment thereof, for the time being in force) and other applicable laws, and subject to such terms and conditions as may be determined by the board of directors of the Company (herein after referred to as “The Board” which expression shall include a committee , constituted for the time being in force, thereof ) and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board, the consent and approval of the Company be and is hereby accorded to Board and the Board be and is hereby authorised to offer, issue and allot on preferential basis, up to 54,60,,000 (Fifty Four Lakhs Sixty thousand Only) Equity Shares of Face Value of Rs. 10/- each at a price of Rs. 25/- per share (including premium of Rs.15/- per share) aggregating to Rs.13,65,00,000/- (Rupees Thirteen Crores and Sixty Five Lakhs only) to Promoters and Non Promoters, being the price which is in accordance with the guidelines for Preferential Issue contained in Chapter VII of the SEBI (issue of Capital and Disclosure Requirement) Regulations, 2009, (SEBI ICDR Regulations”) persons mentioned below on a Preferential basis:

Sr. No.	Name of the proposed Allottees	Nature of persons who are ultimate beneficial owner	Address of the Proposed Allottees	No of equity shares to be allotted	Category	Allottee is: QIB/MF/FI/Trust/Banks
1	Dheeraj B Shah	-	23-A, 12, Akash C.H.S. Talawad Nagar, Ashok Nagar, Kandivali (E),Mumbai 400 101	200000	Promoter	No
2	Paresh B Shah	-	B-501, Harmony CHS, Opp. Damodarwadi Ashok Nagar Road, Mumbai - 400 101	160000	Person acting in concert	No
3	Kanjibhai G Golakiya	-	Floor No 1186 Kamal Park, Society 2 Near Spinning Mill, Varachha Road, Kapodra, Surat 395006	100000	Non-Promoter	No
4	Anand Kumar Agarwal jointly with Maha Devi Agrawal	-	B-84 Brij Niwas,Sec - C Mahanagar Lucknow-226006 (Overnite) Uttar Pradesh.	100000	Non-Promoter	No
5	Babita Gupta	-	H.No.163, Upari mahatavana Paschim, Sandila, Hardoi -241001, Uttar Pradesh	100000	Non-Promoter	No

Sr. No.	Name of the proposed Allottees	Nature of persons who are ultimate beneficial owner	Address of the Proposed Allottees	No of equity shares to be allotted	Category	Allottee is: QIB/MF/FI/Trust/Banks
6	Devendra Gupta	-	H.No.149, Upari mahatavana Paschim, Sandila, Hardoi -241001, Uttar Pradesh	100000	Non-Promoter	No
7	Arunkumar Shroff jointly with Meeradevi Arun Shroff	-	306,A, Harishchandra Apartment, Raheja Township, Malad (East), Mumbai - 400097	100000	Non-Promoter	No
8	Rinku Gadia jointly with Arunkumar Shroff	-	Meenaxi apartment, Row house no. 4,Ground floor, Gokuldam, Goregaon (e), Mumbai 63 306,A, Harishchandra Apartment, Raheja Township, Malad (East), Mumbai - 400097	100000	Non-Promoter	No
9	Rahul Ramesh Sharma	-	1101 Satguru Kalyan, Junction Of13th & 17th Road, Khar (West), Mumbai -52	300000	Non-Promoter	No
10	Abhishek Golechha	-	10, Prithvi Vandana, Ramdas Peth, Nagpur - 440010	100000	Non-Promoter	No
11	Samyak Subhash Surana	-	546, Mahaveer Peth, Manmad, Nashik	100000	Non-Promoter	No
12	Shrey Saraf	-	C-9, Anupam Nagar, Raipur, Chattisgarh.	40000	Non-Promoter	No
13	Dineshchand Munot	-	Pratik Behind Hotel Saharaoff Senapati Bapat Road, Pune 411016	100000	Non-Promoter	No
14	Alka Chaplot	-	Flat No. 402, Goverdhan, Salasar Brij Bhoomi, 150th Ft. Road, Bhayander (W), Dist. Thane 401101	60000	Non-Promoter	No
15	Vinita saraf	-	C-9, Anupam Nagar, Raipur Chattisgarh	60000	Non-Promoter	No
16	Ritu Saraf	-	C-9, Anupam Nagar, Raipur Chattisgarh	40000	Non-Promoter	No
17	Sunil M Kasliwal	-	Near SGGS School, Manmad Nasik -423104	100000	Non-Promoter	No

Sr. No.	Name of the proposed Allottees	Nature of persons who are ultimate beneficial owner	Address of the Proposed Allottees	No of equity shares to be allotted	Category	Allottee is: QIB/MF/FI/Trust/Banks
18	Atul M Paldecha jointly with Pushpa Atul Paldecha and Mukesh Mahaveerprasad Paldecha	-	Flat no. 408, B wing, New Ostwal Onyx CHS Ltd.Jesal Park, Bhayandar (E), Thane 401101	60000	Non-Promoter	No
19	Savalram P Patel	-	Room no. A106, Sakina Manzil, kaka magar kausa, Mumbra, Thane - 400612	100000	Non-Promoter	No
20	Ummedaram P Patel	-	A/5, 501 bhumiraj wood Secor 20 kharghar -410210	100000	Non-Promoter	No
21	Pankaj Dhanji Goshar	-	550,Mountblanc, 11th floor, Jame Jamshe Road, Matunga, Mumbai- 19	1000000	Non-Promoter	No
22	Kamal Champshi Goshar jointly with Champshi Talakshi Goshar	-	C/O. T. Lakhamshi Lodha & Co. 296, Narshi Natha Street, Masjid Bunder (W), Mumbai- 09	60000	Non-Promoter	No
23	Jayshree Sunil Nesarikar	-	Agnishaman Dal CHS Ltd., Flat No2/402, Plot No. 7/1 & 8/1, Survey No.93, Deonar Sector No. 2, Govandi, Mumbai -03	60000	Non-Promoter	No
24	Vaibhav Shantilal Gala jointly with Alpa Vaibhav Gala	-	301, Shourie Complex, J.P. Road, Andheri West, Mumbai -58	60000	Non-Promoter	No
25	Sanjay Eknath Gaikwad	-	Kashish Park Building No. L 1, Flat No.12,L.B.S Marg, Thane(West),Mumbai-400604	60000	Non-Promoter	No
26	Dhirendra Premji Sangoi	-	Happy Home, ground floor, 380, Shankar Matham road Matunga mumbai-400019.	40000	Non-Promoter	No
27	Dhirendra Premjisangoi HUF	1.Dhirendra Premjisangoi 2.Leena D. Sangoi 3.Tejas D. Sangoi 4. Shreyas D. Sangoi 5.Vishesh D. Sangoi 6.Vibhuti T. Sangoi	Happy Home, ground floor, 380, Shankar Matham road Matunga Mumbai-400019	40000	Non-Promoter	No
28	Tejas Dhirendra Sangoi	-	Happy Home, ground floor, 380, Shankar Matham road Matunga Mumbai-400019.	40000	Non-Promoter	No

Sr. No.	Name of the proposed Allottees	Nature of persons who are ultimate beneficial owner	Address of the Proposed Allottees	No of equity shares to be allotted	Category	Allottee is: QIB/MF/FI/Trust/Banks
29	Shreyas Dharendra Sangoi	-	Happy Home, ground floor, 380, Shankar Matham road Matunga Mumbai-400019	40000	Non-Promoter	No
30	Vishesh Dharendra Sangoi	-	Happy Home, ground floor, 380, Shankar Matham road Matunga Mumbai-400019	40000	Non-Promoter	No
31	Janil Prakash Shah	-	51/10, Manorath Nikunj, R.A. Kidwai Road, Matunga, Mumbai -19	200000	Non-Promoter	No
32	Riddhi Prakash Shah	-	51/10, Manorath Nikunj, R.A. Kidwai Road, Matunga, Mumbai -400019	60000	Non-Promoter	No
33	Vishal Paresh Shah	-	51/10, Manorath Nikunj, R.A. Kidwai Road, Matunga, Mumbai-400019	60000	Non-Promoter	No
34	Prakash Kanubhai Shah HUF	1. Prakash Shah 2. Varsha Shah 3. Riddhi Shah 4. Janil Shah	234/26, Om Niwas Niwas, R.A. Kidwai Road, Wadala, Mumbai -31	60000	Non-Promoter	No
35	Paresh Kanubhai Shah HUF	1. Paresh Shah 2. Heena Shah 3. Vishal Shah 4. Malav Shah	234/26, Om Niwas Niwas, R.A. Kidwai Road, Wadala, Mumbai -31	60000	Non-Promoter	No
36	Jatin Kanubhai Shah HUF	1. Jatin Shah 2. Rahul Shah 3. Alana Shah 4. Nita Shah	234/26, Om Niwas Niwas, R.A. Kidwai Road, Wadala, Mumbai -31	60000	Non-Promoter	No
37	Pragnesh Damji Rambhia	-	Oberai Park View ,B/208,Thakur Village Kandivali, (E),Mumbai-40010	200000	Non-Promoter	No
38	Nitin Prabhudas Mavani	-	B/201, Arshie Complex, Panch Marg , Off Yari Road ,Versova ,Andheri(West), Mumbai-400061.	60000	Non-Promoter	No
39	Leena Dharendra Sangoi	-	Happy Home, Ground Floor, 380, Shankar Matham Road, Matunga Mumbai-400019.	40000	Non-Promoter	No
40	Hemant K Shah	-	Sashnil Bulding, Plot No 15, North South Road No 12, JVPD Scheme Vile Parle West Mumbai -49	100000	Non-Promoter	No



Sr. No.	Name of the proposed Allottees	Nature of persons who are ultimate beneficial owner	Address of the Proposed Allottees	No of equity shares to be allotted	Category	Allottee is: QIB/MF/Fl/Trust/Banks
41	Neela Deepak Kapadia	-	204, Antriksh Murar Road, Mulund West, Mumbai – 400080	60000	Non-Promoter	No
42	Namitha Jain	-	Flat No. A-2103, Vardhman Heights, T.B Kadam Marg, Byculla East, Mumbai - 27.	120000	Non-Promoter	No
43	Sajjanben Jain	-	Flat No. A-1804, Vardhman Heights, T.B Kadam Marg, Byculla East, Mumbai - 27.	120000	Non-Promoter	No
44	Narayan Anand Shelar	-	Peter Plaza, 1st Floor, J.S.Road;Dahisar (W), Mumbai-400 060	100000	Non-Promoter	No
45	Laxman Anand Shelar	-	Peter Plaza, 1st Floor, J.S.Road;Dahisar (W), Mumbai-400 060	100000	Non-Promoter	No
46	Hari Anand Shelar jointly with Santosh Anand Shelar	-	Dyanmudra Co-op. Hsg Soc., C/303, Parag Nagar, Dahisar(E), Mumbai-68 Dyanmudra Co-op. Hsg Soc., C/304, Parag Nagar, Dahisar(E), Mumbai-68	100000	Non-Promoter	No
47	Purshottambhai Patel	-	R-901, 9th Floor, W P Hari Bhavan August Kranti Maidan, Tejpal Lne, Grant Road, Mumbai -400 007	135000	Non-Promoter	No
48	Darwin Patel	-	R-901, 9th Floor, W P Hari Bhavan August Kranti Maidan, Tejpal Lne, Grant Road, Mumbai -400 007	135000	Non-Promoter	No
49	Chirag Patel	-	R-901, 9th Floor, W P Hari Bhavan August Kranti Maidan, Tejpal Lne, Grant Road, Mumbai -400 007	130000	Non-Promoter	No
<b>TOTAL</b>				<b>5460000</b>		

**“RESOLVED FURTHER THAT** the Equity Shares on Preferential basis shall be issued by the company on the following terms and conditions:

The equity shares to be issued on preferential basis to above allottees shall be locked in for a period as prescribed under SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.

The entire amount of the value per share i.e. Rs.25/- per share (Including a share premium of Rs.15/- per share) to be paid at the time of application”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the said Special Resolution u/s 62 and other applicable provisions of the Companies Act, 2013 the Board of Directors of the Company are hereby Authorized to

take such steps and to do all such acts, deeds , matters and things and agree and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as they deem fit and appropriate and give such directions / instructions as may be necessary to settle any question or difficulty for the offer / issue and allotment of Equity Shares in such manner as may be deemed fit and appropriate by the Board of Directors and or any legal / regulatory body, to be most beneficial to the company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby Authorized to delegate any or all the powers conferred upon it by this resolution, to any committee formed thereof for the powers conferred upon it by this resolution, to any individual so Authorized by the Board.”

**“RESOLVED FURTHER THAT** the shares referred to above shall in all respect rank pari-passu with the existing fully paid up equity shares of the company, provided that they shall confer on the holders of the right to dividend, if any, for the financial year in which they are allotted pari-passu from the date of allotment of new shares.”

**“RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby Authorized to determine the terms and conditions of the issue including face value, quantity, issue price (Including Price range), manner of calls etc. in such manner as the Board may deem fit and proper in its absolute discretion to be most beneficial to the company and to approach SEBI and / or any other competent authority to do all such acts, deeds , matters and things as may be necessary , appropriate and proper or expedient for giving effect to the above Resolution.”

**“RESOLVED FURTHER THAT** the funds so raised shall be fulfill the additional fund requirements for capital expenditure including acquisition of companies / business, funding long term working capital requirements, marketing, setting up of offices abroad and for other approved corporate purposes.”

**“RESOLVED FURTHER THAT** the relevant date in relation to the shares for the purpose of determining the issue price under SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009 relating to the preference issue shall be May 15, 2014

#### **10. Borrowing Powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013 upto Rs. 50 Crores**

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

**“RESOLVED THAT** in supersession of the Ordinary Resolution adopted at the Extra Ordinary General Meeting held on 31st October, 2013 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of 50 Crores (Rupees fifty crores) over and above the aggregate of the paid up share capital and free reserves of the Company.”

RESOLVED FURTHER THAT the Board of Directors may do all such acts, deeds and things as may be necessary or delegate the powers in respect thereof as permissible under applicable provisions of the Companies Act, 2013.”

#### **11. Creation of Security under Section 180(1)(a) of the Companies Act, 2013 in connection with the borrowings of the Company**

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

**“RESOLVED THAT** pursuant to Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, and subject to other approvals, if applicable or required under any statute(s) / rule(s)/ regulation(s) or any law for

the time being in force or required from any other concerned authorities and in supersession of all earlier Resolutions passed in this regard under the Companies Act (earlier in force), consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favor of banks/financial institutions, other investing agencies and trustees for the holders of debentures/ bonds/other instruments to the debenture/ bonds issued or proposed to be issued, loan and /or other credit facilities availed or proposed to be availed together with interest thereon and such other costs, charges, expenses and other moneys payable by the Company as per the terms and conditions of the issue of bonds/debentures issued/ proposed to be issued or the loan agreement and/or other documents pertaining to credit facilities entered into or proposed to be entered into by the Company, within the overall borrowing limits fixed pursuant to Section 180(1)(c) of the Companies Act, 2013."

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board or any Committee thereof be and is hereby authorized to finalize, settle and execute such documents /deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creation of mortgage / charge as aforesaid.

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

Sd/-

**Dheeraj Shah**  
Chairman

Date: 17.05.2014

Place: MUMBAI

#### **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 /HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable
- 2) The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is enclosed and forms part of the Notice.
- 3) The Register of Members and the Transfer Book of the Company will remain closed from 10/06/2014 to 14/06/2014 (both days inclusive.)
- 4) Members / Proxies should bring attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.
- 5) Electronic copy of the Notice of the 41<sup>st</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical

copies of the Notice of the 41<sup>st</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

- 6) Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat / physical form at Purva Shareregistry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011.

## 7. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 41<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Securities Limited (CDSL):

The instructions for e-voting are as under:

- A. In case a Member receives an email from CDSL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- (i) Open your web browser during the voting period from June 10, 2014 (9.30 a.m) to June 12, 2014 (5.30 p.m) and log onto the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on Shareholder Tab
  - (iii) Select the Electronic Voting Sequence Number – EVSN with “Company Name” from the drop down and click “SUBMIT”
  - iv) Now, fill up the following details in the appropriate boxes:

User-ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Folio Number registered with the Company	
Password	Your Unique password is printed on the Attendance / Proxy form annexed to this Notice	
PAN*	Enter your 10 digit alphanumeric PAN No. issued by Income Tax Department.	

- v) After entering these details appropriately, click on “SUBMIT” tab.

- vi) Members holding shares in Physical form will then reach directly to the voting screen.

vii) Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc). Kindly note that this password is to be also used by the Demat holders for voting for resolution 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.

viii) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.

ix) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.

x) For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Notice.

xi) On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number `in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.

xii) Click on the Resolution File Link if you wish to view the entire Notice.

xiii) 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.

xiv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

xv) Corporate/ Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at e-mail ID: rsoniscrutinizer@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com. The scanned copy image of the above mentioned documents should be in the naming format "Corporate Name\_EVSN."

- 8) The Company has appointed Mr. Rajesh Soni & Co., Practicing Chartered Accountant as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- 9) Printed copies of the Balance Sheet, Profit and Loss Account, Director's Report, the Auditor's Report and every other documents required by the law to be annexed or attached to the Balance Sheet for the period ended 31st March, 2014 are enclosed herewith.
- 10) Members seeking any information with regard to accounts are requested to write to the company at least one week in advance so as to enable the management to keep the information ready.
- 11) Proxies in order to be effective must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES, 2013**

### **Item Nos. 4**

Mrs. Sheetal Dheeraj Shah have been appointed as Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 read with Articles of Association of the Company with effect from 01/10/2013 The terms of the directors expire at the ensuing Annual General Meeting of the Company. The Company has received notice from the member proposing to appoint Mrs. Sheetal Dheeraj Shah as a candidate for the office of Director of the Company.

The Board considers that the appointment of Mrs. Sheetal Dheeraj Shah as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends her appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

None of the Directors of the Company are interested in passing the resolution, except Mrs. Sheetal Dheeraj Shah to the extent of her appointment as Director of the Company.

### **Item Nos. 5**

Mr. Hetalkumar J. Shah have been appointed as Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 read with Articles of Association of the Company with effect from 15/05/2014. The terms of the directors expire at the ensuing Annual General Meeting of the Company. The Company has received notice

from the member proposing to appoint Mr. Hetalkumar J. Shah as a candidate for the office of Director of the Company.

The Board considers that the appointment of Mr. Hetalkumar J. Shah as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

None of the Directors of the Company are interested in passing the resolution, except Mr. Hetalkumar J. Shah to the extent of her appointment as Director of the Company.

#### **Item Nos. 6**

Mr. Naresh Suresh Gurav have been appointed as Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 read with Articles of Association of the Company with effect from 15/05/2014. The terms of the directors expire at the ensuing Annual General Meeting of the Company. The Company has received notice from the member proposing to appoint Mr. Naresh Suresh Gurav as a candidate for the office of Director of the Company.

The Board considers that the appointment of Mr. Naresh Suresh Gurav as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

None of the Directors of the Company are interested in passing the resolution, except Mr. Naresh Suresh Gurav to the extent of her appointment as Director of the Company.

#### **Item Nos. 7**

The Board of Directors at their meeting held on May 15, 2014 have subject to such consents, approvals and permissions as may be required including that of members in the ensuing general meeting and subject to the provisions of the Articles of Association of the Company, appointed Mr. Dheeraj Shah as the Managing Director of the Company for a period of period of 5 (Five) years with effect from 15th May 2014 to 14th May 2019 on the remuneration determined by the Board in this behalf.

The remuneration payable to and the terms of appointment of Mr. Dheeraj Shah during the tenure of his appointment for a period of five years is briefed as follows:

Salary (Basic Per Annum)	Rs.12,00,000/- (Rupees Twelve Lakhs Only)
2 Allowances / Perquisites:-	
a) Special Allowance	Rs.5,500/- per month
b) Medical allowance	Rs.10,000/- per month (equal to 10% of month's basic salary)
c) Conveyance Allowance	Rs.7,000/- per month
d) Company's Contribution to Provident Fund	Rs.12,000/- per month (equal to 12% of month's basic salary)
e) Expenses incurred on superannuation and ex-gratia payment	Rs.15,000/- per month (equal to 15% of month's basic salary)
f) Gratuity	Rs.5,000/- per month

g) LTA

Rs.8,330/- per month (equal to 8.33% of month's basic salary)

Your Directors, therefore, recommend the resolution for your approval.

The above may also be treated as an abstract of the terms of the contract/agreement between the Company and Mr. Dheeraj Shah pursuant to Section 302 of the Companies Act, 1956.

Except Mr. Dheeraj Shah, none of the Directors is, in any way, concerned or interested in the said Resolution.

#### Item Nos. 8

At present the Authorised Share Capital of the Company is Rs. 25,25,00,000/- (Rupees Twenty Five Crores and Twenty Five Lakhs only) divided into 2,52,50,000/- (Two Crores Fifty two Lacs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each. For the purpose of expansion of business, it is required to increase the authorised share Capital of the Company from Rs. 25,25,00,000/- (Rupees Twenty Five Crores and Twenty Five Lakhs only) to Rs. 33,25,00,000/- (Rupees Thirty three Crores and Twenty Five Lakhs only). And consequent upon the increase in the authorised Share Capital of the Company, its Memorandum of Association need appropriate alterations. Hence resolutions No. 8 is recommended by Directors for approval of the members.

None of the Directors of the Company are interested in the said resolutions except the shares held by them.

#### Item Nos. 9

As per Section 62 of the Companies Act, 2013, approval of shareholders in the Extra Ordinary General Meeting is required for allotment of shares on preferential basis and hence the resolution is placed before the shareholders.

The Directors recommended the resolution for your approval.

None of the directors are deemed to be interested in this resolution.

The required disclosure as per Regulation 73(1) of SEBI ICDR Regulations regarding Proposed issue is as under:-

- 1. Objects of this issue:** - The object of the issue is to fulfill the additional fund requirements for capital expenditure including acquisition of companies / business, funding long term working capital requirements, marketing, setting up of offices abroad and for other approved corporate purposes.
- 2. Intention of Promoters /Directors /Key management persons to subscribe to the offer:** Mr. Dheeraj Shah, Promoter & Director of the company has agreed to subscribe the following shares offered by the company

Sr. No.	Name of Proposed Allottees	Number of shares to be subscribed	Category
1	Mr. Dheeraj Shah	200000	Promoter
2	Mr. Paresh B Shah	160000	Person acting in concert

Apart from the persons mentioned in the table above, no other person from group promoter, directors or key managerial person intends to subscribe to the equity shares of the Company in the proposes issue on preferential basis.

#### Shareholding pattern before and after the issue:-

The shareholding pattern before and after completion of the proposed preferential issue would be as under:-

Sr. No.	Category	Pre – issue		Post Preferential issue.	
		No. of shares	% of Capital	No. of shares	% of Capital
A	<b>Promoters Holding</b>				
1	Indian Promoters	37260	0.16	397260	1.39
	Foreign Promoters	0	0	0	0
2	Persons Acting in Concert	0	0	0	0
	<b>Sub-Total</b>	<b>37260</b>	<b>0.16</b>	<b>397260</b>	<b>1.39</b>
B	<b>Non-Promoter Holding</b>				
1	Institutional investors	0	0	0	0
	Mutual Funds	0	0	0	0
	Banks, FIs, Insurance companies	0	0	0	0
	NRIS/OCBs	0	0	0	0
	FIs	0	0	0	0
	Sub-Total	0	0	0	0
2	<b>Others</b>				
	Private Body Corporate	12	0.00	12	0.00
	Indian Public	23152728	99.84	28252728	98.61
	Clearing Members	0	0	0	0
	<b>Sub-Total</b>	<b>23152740</b>	<b>99.84</b>	<b>28252740</b>	<b>98.61</b>
	<b>Grand Total</b>	<b>23190000</b>	<b>100</b>	<b>28650000</b>	<b>100</b>

**Notes:-**

The above shareholding pattern has been prepared on the basis of shareholding as on May 10, 2014 as provided by the Registrar and Share Transfer Agent.

The Post-issue Shareholding Pattern has been arrived on the assumption that 54,60,000 equity shares to be issued and allotted as fully paid to Non Promoters.

**3. Proposed Time within which the allotment shall be completed:**

The allotment of shares on Preferential basis shall be completed within 15 days from the date of shareholders approval provided where the allotment on preferential basis is pending on account of any approval by any regulatory authority or Central Government as per SEBI Guidelines, the allotment shall be completed within 15 days from the date of such approval.

**4. The Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by him:**

The proposed allottees were interested to invest in our company and they approached us in the past when the company decided to raise funds by way of issue of Equity share on preferential basis for expanding existing finance related activities and for working capital etc. Subsequently the company approached the allottees to find out their intention to subscribe to preferential issue and the proposed allottees have given their consent to subscribe to the same. The percentage of the post-preferential issue capital held by the proposed allottees is follows:-



Sr. No	Name & Address	Nature of persons who are ultimate beneficial owner	Shares to be allotted	No. of shares		%		Category	Allottee is: QIB/MF/FI/Trust/Bank
				Pre-Issue	Post-Issue	Pre-issue	Post-Issue		
1	Dheeraj B Shah	-	200000	*37260	237260	0.16	0.83	Promoter	No
2	Paresh B Shah	-	160000	-	160000	-	0.56	Person acting in concert	No
3	Kanjibhai G Golakiya	-	100000	-	100000	-	0.35	Non Promoter	No
4	Anand Kumar Agarwal jointly with Maha Devi Agrawal	-	100000	-	100000	-	0.35	Non Promoter	No
5	Babita Gupta	-	100000	-	100000	-	0.35	Non Promoter	No
6	Devendra Gupta	-	100000	-	100000	-	0.35	Non Promoter	No
7	Arunkumar Shroff jointly with Meeradevi Arun Shroff	-	100000	-	100000	-	0.35	Non Promoter	No
8	Rinku Gadia jointly with Arunkumar Shroff	-	100000	-	100000	-	0.35	Non Promoter	No
9	Rahul Ramesh Sharma	-	300000	-	300000	-	1.05	Non Promoter	No
10	Abhishek Golechha	-	100000	-	100000	-	0.35	Non Promoter	No
11	Samyak Subhash Surana	-	100000	-	100000	-	0.35	Non Promoter	No
12	Shrey Saraf	-	40000	-	40000	-	0.14	Non Promoter	No
13	Dineshchand Munot	-	100000	-	100000	-	0.35	Non Promoter	No
14	Alka Chaplot	-	60000	-	60000	-	0.21	Non Promoter	No
15	Vinita saraf	-	60000	-	60000	-	0.21	Non Promoter	No
16	Ritu Saraf	-	40000	-	40000	-	0.14	Non Promoter	No
17	Sunil M Kasliwal	-	100000	-	100000	-	0.35	Non Promoter	No
18	Atul M Paldecha jointly with Pushpa Atul Paldecha and Mukesh Mahaveerprasad Paldecha	-	60000	-	60000	-	0.21	Non Promoter	No
19	Savalram P Patel	-	100000	-	100000	-	0.35	Non Promoter	No
20	Ummedaram P Patel	-	100000	-	100000	-	0.35	Non Promoter	No
21	Pankaj Dhanji Goshar	-	1000000	-	1000000	-	3.50	Non Promoter	No
22	Kamal Champshi Goshar jointly with Champshi Talakshi Goshar	-	60000	-	60000	-	0.21	Non Promoter	No

23	Jayshree Sunil Nesarikar	-	60000	-	60000	-	0.21	Non Promoter	No
24	Vaibhav Shantilal Gala jointly with Alpa Vaibhav Gala	-	60000	-	60000	-	0.21	Non Promoter	No
25	Sanjay Eknath Gaikwad	-	60000	-	60000	-	0.21	Non Promoter	No
26	Dhirendra Premji Sangoi	-	40000	-	40000	-	0.14	Non Promoter	No
27	Dhirendra Premjisangoi HUF	1.Dhirendra Sangoi 2.Leena D. Sangoi 3.Tejas D. Sangoi 4.Shreyas Sangoi 5.Vishesh Sangoi 6 Vibhuti T. Sangoi	40000	-	40000	-	0.14	Non Promoter	No
28	Tejas Dhirendra Sangoi	-	40000	-	40000	-	0.14	Non Promoter	No
29	Shreyas Dhirendra Sangoi	-	40000	-	40000	-	0.14	Non Promoter	No
30	Vishesh Dhirendra Sangoi	-	40000	-	40000	-	0.14	Non Promoter	No
31	Janil Prakash Shah	-	200000	-	200000	-	0.70	Non Promoter	No
32	Riddhi Prakash Shah	-	60000	-	60000	-	0.21	Non Promoter	No
33	Vishal Paresh Shah	-	60000	-	60000	-	0.21	Non Promoter	No
34	Prakash Kanubhai Shah HUF	1. Prakash Shah 2.Varsha Shah 3.Riddhi Shah 4.Janil Shah	60000	-	60000	-	0.21	Non Promoter	No
35	Paresh Kanubhai Shah HUF	1.Paresh Shah 2.Heena Shah 3. Vishal Shah 4. Malav Shah	60000	-	60000	-	0.21	Non Promoter	No
36	Jatin Kanubhai Shah HUF	1.Jatin Shah 2.Rahul Shah 3. Alana Shah 4. Nita Shah	60000	-	60000	-	0.21	Non Promoter	No
37	Pragnesh Damji Rambhia	-	200000	-	200000	-	0.70	Non Promoter	No
38	Nitin Prabhudas Mavani	-	60000	-	60000	-	0.21	Non Promoter	No
39	Leena Dhirendra Sangoi	-	40000	-	40000	-	0.14	Non Promoter	No
40	Hemant K Shah	-	100000	-	100000	-	0.35	Non Promoter	No
41	Neela Deepak Kapadia	-	60000	-	60000	-	0.42	Non Promoter	No
42	Namitha Jain	-	120000	-	120000	-	0.42	Non Promoter	No
43	Sajjanben Jain	-	120000	-	120000	-	0.51	Non Promoter	No
44	Narayan Anand Shelar	-	100000	-	100000	-	0.35	Non Promoter	No
45	Laxman Anand Shelar	-	100000	-	100000	-	0.35	Non Promoter	No

46	Hari Anand Shelar jointly with Santosh Anand Shelar	-	100000	-	100000	-	0.43	Non Promoter	No
47	Purshottambhai Patel	-	135000	-	135000	-	0.47	Non Promoter	No
48	Darwin Patel	-	135000	-	135000	-	0.47	Non Promoter	No
49	Chirag Patel	-	130000	-	130000	-	0.45	Non Promoter	No
<b>TOTAL</b>			<b>5460000</b>	<b>37260</b>	<b>5497260</b>	<b>0.16</b>	<b>19.06</b>		

\*\*The shares have been purchased as per the SPA on December 02, 2013 but they are not yet transferred to his account.

The Proposed allottees have not sold any shares during the 6 months period prior to the relevant date.

**5. Lock- In:** - The equity shares to be allotted on preferential basis shall be subject to lock in as per the applicable SEBI - ICDR Regulations, 2009.

**6. Change in the control or composition of the Board.**

There will neither be any change in the composition of the Board nor any change in the control of the Company on account of the proposed preferential allotment. However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to preferential allotment.

**7. Price of the issue:-**

The shares are proposed to be allotted on preferential basis at a price of Rs.25/- per share including premium of Rs.15/- per share, which is higher than the price arrived at as per SEBI ICDR Regulations, 2009.

**8.** The Certificate issued by R Soni & Co. Practicing Chartered Accountants as to the Pricing of the issue and that this preferential issue of securities is being made in accordance with the guidelines on Preferential Allotment issued by SEBI is being placed before the shareholders at the Meeting and also available for inspection at the Registered Office of the company during the business hours on any working days.

**9.** In terms of SEBI (ICDR) Regulations, 2009, KAMALAKSHI FINANCE CORPORATION LIMITED hereby undertakes that:

- It shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.

- If the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

**10.** In view of the above, it is proposed to issue up to 54,60,000 (Fifty Four Lakhs Sixty Thousand Only) Equity Shares each of Rs.10/- fully paid-up to Non promoters on preferential basis at the price of Rs.25/- (Rupees. Twenty Five Only) per share (Including a premium of Rs.15/- per share). This is higher than the minimum issue price calculated in accordance with the criteria given under the SEBI ICDR Regulations, 2009.

The Consent of the shareholders is being sought pursuant to the provision of section 62 and other applicable provisions of the companies Act, 2013, if any, and in terms of provisions of the Listing Agreements executed by the company with the Stock Exchange in India in which the company's shares are listed.

None of the Directors are deemed to be interested in this resolution.

## **Item Nos. 10 & 11**

The members may kindly be informed that in the Extra-ordinary General Meetings of your Company held on 31<sup>st</sup> October, 2013, the shareholders had authorized the Board of Directors- to borrow monies up to Rs. 50 crores under Section 293(1)(d) of the Companies Act, 1956, as well as- to secure the same by suitable mortgage/ charge on all or any of the moveable and / or immovable properties, regarded as disposal of the Company's undertakings under Section 293 (1)(a) of the Companies Act, 1956. However, as per the corresponding provisions of section 180(1)(c) and 180(1)(a) of the Companies Act, 2013 which were notified on 12th September, 2013 and based on the clarification thereof issued by GOI, MCA vide General Circular no. 04/2014 dated 25th March, 2014, the Resolution(s) passed u/s 293 of the Companies Act, 1956 prior to 12.9.2013 with reference to borrowings (subject to the limits prescribed) and/ or creation of security on assets of the company will be regarded as sufficient compliance of the requirements of section 180 of the new Act, for a period of 1 year from the date of notification of 180. Further, the provisions of the Companies 1956 Act required consent of the shareholders as an ordinary resolution for both borrowing and creation of security; however, the provisions of the 2013 Act stipulate consent of members by way of a **Special Resolution**.

Hence, in order to remain compliant with the relevant provisions on borrowings and creation of security under the 2013 Act beyond 12.9.2014, consent of the members is hereby requested by way of proposed Special Resolution(s). The Board of Directors of your Company has approved this item in the Board Meeting held on 15<sup>th</sup> May, 2014 and recommends the Resolutions as set out in the accompanying Notice for the approval of members of the Company as Special Resolutions.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolutions except to the extent of their shareholding in the Company, if any.

### **REGISTERED OFFICE**

**B-411, Crystal Plaza,  
New Link Road,,  
Andheri West,  
Mumbai – 400 053.  
Date: 17/05/2014**

### **BY ORDER OF THE BOARD**

**Sd/-  
Dheeraj Shah  
Managing Director**

## DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(In pursuance of Clause 49 (VI) (A) of the Listing Agreement)

Director seeking re-appointment

Name of the Director	Sheetal Dheeraj Shah
Date of Birth	07/09/1979
Date of Appointment.	01/10/2013
Expertise in any specific functional Area	Administrative
Qualification	B.Com, L.L.B
Directorships held in other companies (excluding foreign – Companies)	ATMAN INFOTECH PRIVATE LIMITED
Committee position held in other Companies	Nil

Director seeking re-appointment

Name of the Director	Naresh Suresh Gurav
Date of Birth	18/02/1977
Date of Appointment.	15/05/2014
Expertise in any specific functional Area	Finance
Qualification	H.Sc
Directorships held in other companies (excluding foreign – Companies)	AMRAPALI SALES AGENCY PRIVATE LIMITED LUDUVICO SALES AGENCY PRIVATE LIMITED
Committee position held in other Companies	Nil

Director seeking re-appointment

Name of the Director	Hetalkumar J Shah
Date of Birth	15/06/1978
Date of Appointment.	15/05/2014
Expertise in any specific functional Area	Finance
Qualification	B.com
Directorships held in other companies (excluding foreign – Companies)	Nil
Committee position held in other Companies	Nil

# **BOARD OF DIRECTORS' REPORT**

To  
The Members

Your Directors present their 41<sup>st</sup> Annual Report with Audited Statement of Accounts for the year ended on March 31, 2014

## **Financial Results**

Particulars	(Amt. In Lacs)	
	Year Ended 31/03/2014	Year Ended 31/03/2013
Income	249.91	11.94
Profit before Dep. & Int.	(31.18)	0.62
Depreciation	0.00	0.00
Interest	0.00	0.00
Profit after Depreciation & Interest	-31.18	0.62
Provision for Taxation	0.00	0.00
Provision for Tax (deferred)	0.00	0.00
Profit after Tax	(31.18)	0.62
Net profit/ (Loss)	(31.18)	0.62
Amount Available for Appropriation	(31.18)	0.62
Balance carried to Balance Sheet	(31.18)	0.62

## **FINANCIAL HIGHLIGHTS**

During the year Company's total sales including other income is Rs 249.91 lacs as compared to Rs. 11.94 lacs in the previous year and thereby registering an increase of 1993% as compared to the previous year.

## **DIVIDEND**

Your Directors decided to plough back the profit and therefore dividend is not declared.

## **DIRECTORS**

Mr. Dheeraj Shah Promoter Director of the Company is appointed as Managing Director of the Company with effect from 15<sup>th</sup> May, 2014 for period of five years subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year 2013-14, the Board of Directors appointed Mrs. Sheetal Shah as an Additional Director with effect from 1 October, 2013.. She is being regularized in this Annual General Meeting.

The Board of Directors also appointed Mr. Hetalkumar J. Shah & Mr. Naresh Suresh Gurav as an Additional Director with effect from 15 May, 2014. They are being regularized in this Annual General Meeting.

During the year Mr. Bhupendra Singh Thakur & Mr. Kailash Kahar resigned from directorship as on 1/10/2013 and Mr. Chandresh Kapilmuni Upadhyay, Mr. Arvindkumar Sadashankar Upadhyay & Mr. Suneel Upadhyay Kumar resigned from directorship as on 15/05/2014. The company is thankful for their association.

## **DEPOSITS**

Your company has not accepted any deposits within the meaning of Section 73 of The Companies Act, 2013.

## **FOREIGN EXCHANGE**

There is no inflow and outflow of Foreign Exchange.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i) That in the preparation of the accounts for the financial year ended 31st March 2014 the applicable accounting standards have been followed, along with proper explanation relating to all material departures.
- ii) That they have, in the selection of the accounting policies, consulted the statutory auditors and have 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 financial year and of the profit of the Company for that period.
- iii) They have taken proper and sufficient care to the best of their knowledge and ability 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.
- iv) That the Directors have prepared the accounts for the financial year ended 31st March 2014 on a going concern basis.

### **AUDITORS**

M/S. R. Soni & Co., Chartered Accountants statutory auditors of the Company retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Company has received certificates from them under Section 139 of the Companies Act, 2013.

### **AUDITORS REPORT**

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The particulars under the companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, on conservation of energy and Technology absorption is not applicable

### **PARTICULARS OF EMPLOYEE**

The information required under section 217(2A) of the Companies Act 1956, read with the Companies (particulars of employees) Rules 1975, forms part of this report - Not applicable.

### **LISTING OF SHARES**

Equity shares of your Company are listed on Bombay Stock Exchange only and the Company has paid the necessary Listing fees for the year 2013 – 2014.

### **PREFERENTIAL ALLOTMENT**

During the year Company has allotted 82,90,000 equity shares at Rs of Rs.10/- each at premium of Rs 2/- on preferential basis to non promoters on 09/11/2013.

During the year Company has allotted 1,48,50,000 equity shares at Rs of Rs.10/- each at premium of Rs 3/- on preferential basis to non promoters on 17/02/2014.

### **TAKEOVER**

During the year Mr. Dheeraj Shah, Director made an Open Offer for acquisition of Equity Shares of Kamalakshi Finance Corporation Ltd ("Target Company" or "KFCL") to acquire 60,68,400 (Sixty Lakhs Sixty Eight Thousand Four Hundred Only) ("Offer Size") Equity Shares of Rs 10/- each at a price of Rs .13.00/- per fully paid up equity shares of the Target Company representing 26.17% of the total issued, subscribed, paid up and voting capital of the Target Company, pursuant to Share Purchase Agreement (SPA) dated December 02, 2013 of the Target Company by Dheeraj B. Shah ("Acquirer"), under Regulation 15(1) & 4 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("Regulation").

### **GREEN INITIATIVE IN CORPORATE GOVERNANCE'**

The ministry of corporate Affairs (vide circular nos.17/2011 and 18/2011 dated April 21 and April 29,2011 respectively), has undertaken 'Green initiative in corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support their green initiative by registering/updating their email addresses, in respect of shares held in dematerialised form with their respective depository participants and in respect of shares held in physical form with Purva Share Registry.

### **CORPORATE GOVERNANCE COMPLIANCE**

As required under the listing agreement with the stock exchange, corporate governance and management discussion and analysis report form part of this Annual Report.

### **ACKNOWLEDGEMENT**

The Board of Directors wishes to express sincere thanks to Bankers, Shareholders, clients, Financial Institutions, customers, suppliers and employees of Companies for extending support during the year.

**FOR & ON BEHALF OF THE BOARD**

**PLACE: MUMBAI  
DATED :17/05/2015**

**Sd/-  
Dheeraj Shah  
Chairman**



# **CORPORATE GOVERNANCE REPORT**

## **A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company continues to practice the principle of good Corporate Governance. It is Company's firm belief that good **CORPORATE GOVERNANCE** is a key to success of business. The Company's philosophy envisages an attainment of highest level of the transparency and accountability in its operations so that Company's goal of creation and maximization of wealth of the shareholders could be achieved. Clause 49 of the Listing Agreement entered with Stock Exchanges incorporate certain mandatory disclosure requirements With regard to Corporate Governance Rules, in this regard we are pleased to report the following:-

## **B) BOARD OF DIRECTORS**

The Board of the Company is well structured with adequate blend of professional and Independent Directors. The present strength of the Board is of four Directors. Mr. Dheeraj Shah as Managing Director and Chairman, Mrs Sheetal Shah, Hetalkumar J Shah & Naresh Gurav. Thus the post of Chairman and Managing Director are held by same person.

1. Since Mr. Dheeraj Shah belongs to the promoter category, at least one half of the Board should comprise of Independent Directors as per Corporate Governance Rules. The Company has structured its Board to comply the said requirement. Presently, two Directors among four Directors of Board are Independent Directors, namely Mr.Hetalkumar J Shah & Mr.Naresh Gurav. Accordingly, the Company has complied with the Corporate Governance Rules regarding composition of Board of Directors.
2. None of the directors is a member of more than 10 (ten) Board level committees or is a Chairman of more than 5 (five) such Board level committees as required under Clause 49 of the Listing Agreement..
3. The composition of the Board of Directors and their attendance at the meetings during the period are as follows:

Name of Director	Status	No. of Board meetings Attended	Attendance at last AGM	No. of other Directorships	Committee Membership	
					Chairman	Member
*Mr. Dheeraj Shah	M.D	4	N.A	2	-	-
*Mrs. Sheetal Dheeraj Shah	I.N.E.D	4	N.A	1	-	-
#Mr. Suneel Upadhyay	I.N.E.D	6	Yes	Nil	-	-
#Mr. Chandresh Upadhyay	I.N.E.D	1	Yes	Nil	-	-
#Mr. Arvindkumar Upadhyay	I.N.E.D	6	Yes	Nil	-	-
@Mr. Bhupendra Hari Singh Thakur	I.N.E.D	-	No	2	-	-
@Mr. Kailash Kahar		-	No	Nil	-	-
\$Mr. Naresh Suresh Gurav	I.N.E.D	-	N.A	2	-	-
\$Mr. Hetalkumar J. Shah	I.N.E.D	-	N.A	Nil	-	-

@Resigned w.e.f 01/10/2013

\*Appointed w.e.f 01/10/2013

# Resigned w.e.f 15/05/2014

\$ Appointed w.e.f. 15/05/2014

N.E.D Non Executive Director

I.N.E.D Independent Non Executive Director

**Notes:**

During the period ended 31<sup>st</sup> March 2014, 11 Board Meetings were held on the following dates:

16/05/2013, 27/05/2013, 31/07/2013, 01/10/2013, 5/10/2013, 9/11/2013, 14/11/2014, 31/12/2013, 23/01/2014, 14/02/2014, 17/02/2014.

As against the minimum requirement of 4 meetings the maximum time gap between any two meetings was not more than four calendar months.

**C) CODE OF CONDUCT**

The Board has laid down a code of conduct for Board members and senior management staff of the Company. The Board members and senior management staff have affirmed compliance with the said code of conduct.

**D) AUDIT COMMITTEE**

The purpose of Audit Committee is to assist the Board of Directors (the "board") in reviewing the financial information which will be provided to the shareholders and others, reviewing the systems of internal controls which the management and board have established, appointing, retaining and reviewing the performance of statutory auditors and overseeing the Company's accounting and financial reporting processes and the audits of the Company's financial statements.

**Terms of Reference:**

The Company has an audit committee as envisaged in the listing agreement. The terms of reference of audit Committees broadly are as under:

- (a) To hold periodic discussions with the statutory auditors and internal auditors of the Company concerning the financial reports of the Company, internal control systems, scope of audit and observations of the auditors/internal auditors;
- (b) Discussion with internal auditors on significant audit findings and follow up thereon;
- (c) To review compliance with internal control systems;
- (d) To review the quarterly, half yearly and annual financial results of the Company before submission to the Board
- (e) To make recommendations to the board on any matter relating to the financial management of the Company, including the audit report;
- (f) Recommending the appointment/reappointment of statutory auditors and fixation of their remuneration;
- (g) To review the annual plan and budget before submission to the board.

The scope of the audit committee includes amongst other matters which are set out in clause 49 of the listing Agreement with stock exchanges amended from time to time read with section 292A of the Companies Act, 1956.

**Composition & Meetings:**

**The Audit Committee consist the following members. The details of which are provided below:**

<b>Name of Director</b>	<b>Designation</b>	<b>No. of Meetings Attended</b>
Mr. Hetalkumar J. Shah	Chairman & Member	-
Mr. Naresh Suresh Gurav	Member	-
Mrs Sheetal Dheeraj Shah	Member	-
Mr. Arvind Upadhyay*	-	2
Mr. Suneel Upadhyay*	-	2
Mr. Chandresh Upadhyay*	-	2

\* Appointed as a member w.e.f 05/10/2013 & ceased to be member as on 15/05/2014

# Appointed as members w.e.f 15/05/2014

The Committee met twice during the period ended 31<sup>st</sup> March, 2014. The details of which are provided below:

14/11/2013 and 23/01/2014.

The terms of reference of the Committee are as per the regulations set out in Clause 49 of the listing agreement with the Stock Exchanges and section 292A of the Companies Act, 1956 and inter alia it briefly includes review of quarterly and Annual financial statements, the statutory Auditor's Report on the financial statements, Internal audit reports, internal controls, Accounting policies and to generally interact with the Internal Auditors and Statutory Auditors.

#### **E) SHARE TRANSFER COMMITTEE**

a) Terms of reference:

The Committee was constituted to specifically look into the redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend.

b) The composition of the Shareholders Grievance Committee is as follows:

<b>Name of Director</b>	<b>Designation</b>	<b>No. of Meetings Attended</b>
Mr. Hetalkumar J. Shah	Chairman & Member	-
Mr. Naresh Suresh Gurav	Member	-
Mrs Sheetal Dheeraj Shah	Member	-
Mr. Arvind Upadhyay*	-	2
Mr. Suneel Upadhyay*	-	2
Mr. Chandresh Upadhyay*	-	2

\* Appointed as a member w.e.f 05/10/2013 & ceased to be member as on 15/05/2014

# Appointed as members w.e.f 15/05/2014

c) Name and Designation of Compliance Officer: Mr. Dheeraj Shah (Managing Director)

## F) REMUNERATION COMMITTEE

The Company has constituted a Remuneration Committee with terms of reference to evaluate compensation/commission and benefits for Directors and to frame policies and procedures for Stock Option Plans as approved by the shareholders. This Committee also acts as Nomination Committee and Compensation Committee.

### a) The composition of the Remuneration Committee is as follows:

Name of Director	Designation	No. of Meetings Attended
Mr. Hetalkumar J. Shah	Chairman & Member	-
Mr. Naresh Suresh Gurav	Member	-
Mrs Sheetal Dheeraj Shah	Member	-
Mr. Arvind Upadhyay*	-	2
Mr. Suneel Upadhyay*	-	2
Mr. Chandresh Upadhyay*	-	2

\* Appointed as a member w.e.f 05/10/2013 & ceased to be member as on 15/05/2014

`# Appointed as members w.e.f 15/05/2014

### b) Remuneration Policy:

The Company while deciding the remuneration package of the directors and senior management personnel takes into consideration the following:

Employment scenario

Remuneration package in the industry and

Remuneration package of the managerial talent of other industries.

The Non-Executive Directors (NEDs) are eligible for commission not exceeding an aggregate of 1% of the net profits of the Company but till date company has not paid any Commission and will pay only after the approval of member in general meeting.

The Company might pay sitting fees of 20,000 per meeting to the NEDs for attending the meetings of the Board and other Committees. But till date company is not paying any sitting fees.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Chairman & Managing Director as approved by the shareholders of the Company. The Company pays remuneration by way of salary, perquisites and allowances to the Whole Time Director as approved by the Shareholders of the Company. The ceiling on perquisites and allowances as a percentage of salary is fixed by the Board as per Schedule XIII.

### No Remuneration paid to Directors during the period ended 31<sup>st</sup> March 2014

### c) Shareholding of the Directors in the Company as on 31<sup>st</sup> March, 2014:

Name of Director	No. of Shares	% of Shareholding
Mr. Dheeraj Babulal Shah*	37260	0.16%

\*The shares have been purchased as per the SPA on December 02, 2013 but they are not yet transferred to his account.

## F) GENERAL BODY MEETINGS

(a) The last three Annual General Meetings were held as under:-

Year/Period Ended	Date of Meeting	Time
31 <sup>st</sup> March, 2011	30/09/2011	11.30 A.M
31 <sup>st</sup> March, 2012	13/09/2012	11:00 A.M
31 <sup>st</sup> March, 2013	28/08/2013	11:00 A.M

(b) Extra Ordinary General Meeting was held on 31st October 2013 and 7<sup>th</sup> Feb, 2014 during the year.

(c) No Postal Ballot was conducted by during the year.

## G) DISCLOSURES

1. During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.
2. There were no instances of non-compliance on any matter related to the Capital Markets during the last three years.
3. The Company continues to comply with the requirement of Stock Exchange, SEBI or any statutory authority on all matters related to capital market during the last three years. No penalty or strictures have been imposed on the Company by the said authorities relating to the above.
4. The Company does not have any Whistle Blower Policy as of now but no personnel are being denied to access the Audit Committee.
5. The Company complied with not only the mandatory requirements but has also complied with non – mandatory requirements in respect o f Remuneration Committee. The Company is yet to comply with the other non mandatory requirements of the Listing Agreement on Corporate Governance.

## H) MEANS OF COMMUNICATION.

- a) Statutory advertisements and financial results of the company (Quarterly, Half-yearly and Annual) are published in English and one regional language dailies.
- b) Apart from the financial results, all official press releases of the Company and presentations made to the Institutional investors and analysts, if any, are being placed on the Company's website.
- c) The company also releases all price sensitive information simultaneously to BSE. Quarterly, Half Yearly and Yearly financial results are sent to the Stock Exchanges immediately after they are approved by the Board.

### I) Stock Market Data at BSE

Month	High	Low	Close	No. of Shares
January, 2014	12.14	10.20	12.14	28
February, 2014	16.25	12.38	16.25	46
March, 2014	20.15	16.55	20.15	24

## I) GENERAL INFORMATION FOR MEMBERS

(i)	<b>Annual General Meeting - The 41<sup>st</sup> Annual General Meeting of the Company will be held on 14/06/2014 at 3:00 p.m. in Mumbai.</b>	
(ii)	<b>Financial Calendar</b>	Last AGM held on 29/08/2013
	First Quarter Results Declared	Last Week of July, 2013
	Second Quarter Results Declared	Second Week of November, 2013
	Third Quarter Results Declared	Third Week of January, 2014
	Fourth Quarter Results Declared	Second Week of May, 2014
(iii)	<b>Book Closure date</b>	10/06/2014 to 10/06/2014
(iv)	<b>Dividend payment date</b>	Not applicable
(v)	<b>Listing of Equity Shares</b>	Bombay Stock Exchange Listing fees is duly paid to the BSE Limited as per listing Agreement for F.Y. 2013-14
(vi)	<b>Stock Code BSE Code</b>	501314
(vii)	<b>Demat ISIN Number in NSDL &amp; CDSL</b>	INE286N01010 for Equity Shares
(vii)	<b>Regd. Office</b>	B/411, Crystal Plaza, New Link Road, Andheri West, Mumbai – 400 53
(viii)	<b>Registrar &amp; Transfer Agents and Share Transfer System</b>	All documents, transfer deeds, demat requests and other communication in relation thereto should be addressed to the R & T Agents at its following address:  <b>Purva Shareregistry (India) Pvt Ltd.</b> 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011  Share transfers in physical form are processed within about 2 weeks from the date of receipt of the valid and completed documents.
(ix)	<b>Investor Relation Officer</b>	Dheeraj Babulal Shah
(x)	Share Transfer System as per listing Agreement and Companies Act, 1956.	

### Stock Market Data at BSE:

### (xi) DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>st</sup> March, 2014

Shareholders			Shareholding	
No. of Shares	Nos.	%	Holding in Rs.	%
UPTO 5,000	56	35.22	6880	0.00
5,001 - 10,000	7	4.40	67520	0.03
10,001 - 20,000	5	3.14	53000	0.02
1,00,001 AND ABOVE	91	57.23	231772600	99.95
<b>Total</b>	<b>159</b>	<b>100.00</b>	<b>231900000</b>	<b>100.00</b>

**(xii) SHAREHOLDING PATTERN AS ON 31.03.2014**

Category		No. of Shares held	Percentage of Shareholding
<b>A</b>	<b>Promoter's Holding</b>		
1	Promoters		
	- Indian Promoters	37260	0.16
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-
	Sub – Total	37260	0.16
<b>B</b>	<b>Non-Promoter's Holding</b>		
3	Institutional Investors	-	-
a)	Mutual Funds and UTI	-	-
b)	Banks, Financial Institutions, Insurance Companies	-	-
	(Central/State Govt. Institutions/Non Government Institutions)	-	-
<b>C</b>	<b>FII's</b>	-	-
	Sub – Total	-	-
4	Others		
a)	Private Corporate Bodies	9	0.00
b)	Indian Public	23152731	99.84
c)	NRI's/OCB's - NRI'S	-	-
d)	Any Other (Please specify) - <b>Clearing Members</b>	-	-
	Sub-Total	23152740	99.84
	<b>GRAND TOTAL</b>	<b>23190000</b>	<b>100.00</b>

<b>(xiii)</b>	<b>Dematerialization of shares</b>	As on 31 <sup>st</sup> March, 2014, 99.97% of the Company's Shares representing 2,31,83,210 Share were held in dematerialized form and the balance 6,790 Shares were held in physical form.
<b>(xiv)</b>	<b>Investor Correspondence</b>	For transfer/ dematerialization of shares payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company. <b>Purva Share registry (India) Pvt Ltd.</b> 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011
	<b>Any other query</b>	<b>Kamalakshi finance corporation limited</b> B-411, Crystal Plaza, New Link road, Andheri West, Mumbai – 400 053.
<b>(xv)</b>	<b>Nomination facility</b>	Individual shareholders holding physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his/her name. For further details, shareholders may write to the Registrar and Share Transfer Agent or the Company in this regard.

<b>(xvi)</b>	<b>Outstanding GDRS/ADRS/Warrants or any Convertible Instruments, Conversion date and likely impact on Equity</b>	The Company does not have any outstanding GDRs/ADRS/Warrants or any Convertible Instruments, which is likely to have any impact on the equity of the Company.
<b>(xvii)</b>	<b>Reconciliation of Share Capital Audit</b>	<p>The Securities and Exchange Board of India has directed vide Circular No. D&amp;CC/FITTC/CIR-16/2002 dated 31st December, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/paid up capital.</p> <p>The said certificate duly certified by a Practicing Company Secretary is submitted to the Stock Exchanges within 30 days of the end of each quarter.</p>



# **MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS**

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31<sup>st</sup> March, 2014.

The management discussion and analysis have been included in consonance with the code of corporate governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

## **OVERVIEW:**

The operations of the company are centered in Finance and Share Trading.

## **INDUSTRY STRUCTURE AND DEVELOPMENT:**

The Indian economy has witnessed a sluggish period during the year 2013-14 but better growth and prosperity in coming future is expected with increased investment in Finance Market.

Of late, especially in the past few decades, there has been tremendous growth in finance Industries in India. The finance industry where the company is also involved, major developments have taken place for the past few decades in view of the fact that plethora of finance companies have come into existence with various finance products and there has been tremendous finance growth due to foreign collaboration, foreign equity participation etc, under Finance Division, dealing in equity shares and stock is the main activity of the company.

## **SUBSIDIARY COMPANY**

As there are no subsidiaries of the Company, Investment made in Subsidiaries is NIL.

## **SEGMENT-WISE PERFORMANCE**

The Company operates in single reported segment with main business of Investments & Inter Corporate Deposit to the Corporate Sector.

## **OPPORTUNITIES AND THREATS:**

Some of the key trends of the industry that are favorable to the company to exploit these emerging opportunities are:

1. Clients are more comfortable with uniform high quality and quick services and security process across the enterprise.
2. The company since involved in the Information Technology enabled services for a very long time there are good prospects for expanding further activities in this direction.
3. The company is also facing server competition from other Information Technology companies and software companies.

Some of the key changes in the industry unfavorable to the company are:

1. Heightened competition
2. Increasing cost of the product
3. Increasing customer demand

**OUTLOOK:**

The Company is mainly engaged in finance and related business. The company is planning to expand and diversify the activities in this time to tap higher revenues.

**RISK AND CONCERNS:**

Due to stiff competitions in the finance fields where the company's activities are centered in, the overall margins are under pressure but maintainable with constant effort and good services.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has adequate system of strong internal controls for business processes, with regards to operations, financial reporting, compliance with applicable laws and regulations, etc. Regular internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the existing control system in view of changing business needs from time to time.

**HUMAN RESOURCES/INDUSTRY RELATIONS:**

Your Company firmly believes that its employees are the key to driving performance and developing competitive advantage. The emphasis has been on proper recruitment of talent and empowerment while devoting resources for their continuous development.

The basic objective has been to unlock the people potential and further developing their functional operational and behavioural competencies so as to build a team of dedicated employees who work with passion, zeal and a sense of belongingness and play a defining role in significantly accelerating the growth and transformation of the Company, thereby, consolidating its position in the market.

**CAUTIONARY STATEMENT**

Statement in the Management Discussion and analysis describing the company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation.

The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

**AUDITOR'S CERTIFICATE ON COMPLIANCE OF THE CONDITIONS OF CLAUSE 49  
OF THE LISTING AGREEMENT (CORPORATE GOVERNANCE) FOR THE YEAR  
ENDED 31ST MARCH, 2014**

To  
The Members of  
Kamalakshi Finance Corporation Limited

We have examined the compliance of corporate governance by **KAMALAKSHI FINANCE CORPORATION LIMITED** for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

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 opinion on the financial statements of the company.

In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions for Corporate Governance as stipulated in the above mentioned Listing Agreement except for the appointment of a Whole Time Secretary as required under Section 383A of the Companies Act, 1956.

We state that none of the Investor Grievances is pending for a period exceeding one month, as at 31st March, 2014 against the Company as per 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 of the company has conducted the affairs of the Company.

For **R. Soni & Co.**  
(Chartered Accountants)  
Firm Reg. No. 130349W

Sd/-  
**CA RAJESH SONI**  
Partner  
M.No. 133240

Place: Mumbai  
Date: 15/05/2014

## **Independent Auditors' Report**

### **To the Members of KAMALAKSHI FINANCE CORPORATION LIMITED**

We have audited the accompanying financial statements of **KAMALAKSHI FINANCE CORPORATION LIMITED** ("the Company"), which comprises the balance sheet as at 31<sup>st</sup> March 2014, the statement of profit and loss of the Company for year then ended, the cash flow statement of the Company for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

#### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2014;

(i) in the case of the statement of profit and loss account, of the loss for the year ended on that date; and

(ii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

#### **Emphasis Matter :**

Note 24 Provision for diminution of investment not provided in accounts.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards except note 25 referred to in sub section (3C) of section 211 of the Companies Act, 1956; and

e. on the basis of written representations received from the directors as on 31<sup>st</sup> March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For R Soni & Co.  
Chartered Accountants  
FRN 130349W**

**(Sd/-)  
Rajesh Soni  
Partner  
M No 133240  
Mumbai, May 15, 2014**

## ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 3 of our report of even date on the Accounts for the year ended 31<sup>st</sup> March 2014 of **KAMALAKSHI FINANCE CORPORATION LIMITED**.

1. (a) As explained to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed Assets.  
  
(b) All the assets have been physically verified by the management at the end of the financial year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.  
  
(c) As per the records and as explained to us, the Company has not disposed off any substantial or major portion of fixed assets during the year.
2. (a) As explained to us, the inventories held by the Company were physically verified during the year by the management at reasonable intervals.  
  
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. (a) According to the information and explanations given to us, the Company has granted loans to a party listed in the Register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year is 1.02 Crore and the year end balance is Rs. NIL.  
(b) In our opinion and according to the information and explanation given to us such loan is interest free and other terms and conditions on which loan have been given are not prima facie prejudicial to the interest of the Company  
(c) The said loan has repaid during the year.  
  
(e) The Company has not taken unsecured loan from any party covered in the register maintained under section 301 of the Companies Act 1956. Hence clause (f) and (g) not applicable.
4. 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 regard to the purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weakness in internal controls.
5. In our opinion and according to the information and explanations given to us, there are no contracts or arrangement referred to in section 301 of the Companies Act, 1956 that need to be entered in the Register required to be maintained under that section. Hence, clause (v-b) of paragraph 4 of the Order is not applicable.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year to which the directive issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under are applicable.
7. The Company has adequate internal check and audit procedures implemented in the Course of the day – to – day functioning. However, no internal audit as such has been conducted.

8. The Company is not covered under section 209(1)(d) of the Companies Act, 1956 in respect of maintenance of cost records.
9. According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.3.2014 for a period of more than six months from the date they became payable.
10. The Company has not accumulated losses but incurred cash losses during the current financial year.
11. In our opinion and according to information given to us, the Company not defaulted in repayment of dues to bank, financial institution, and debenture holder.
12. In our opinion and according to the information and explanation given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures & other securities.
13. In our opinion, the Company is not a chit fund or a niche mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to this Company.
14. In our opinion and according to information given to us, the Company is dealing or trading in shares or securities. Proper records have been maintained of the transactions and contracts and timely entries have been made therein. Shares or securities are in the process of transfer.
15. In our opinion and according to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. In our opinion and according to the information and explanation given to us, the Company has not raised term loans during the year under audit.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
18. The Company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year which is not prejudicial to the interest of the company.
19. The Company has not issued any debenture during the year.
20. The Company has not raised money through a public issue during the year.
21. On the basis of the audit procedure carried out by us and explanations given by the management, we state that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For R. Soni & Co.**  
**Chartered Accountants**  
**(F.R.N - 130349W)**

**(Sd/-)**  
**(Rajesh Soni)**  
**Partner**  
**M. No.-133240**  
**Place: - MUMBAI**  
**Date: - 15.05.2014**

# **CEO / CFO CERTIFICATION**

## **The Board of Director**

### **KAMALAKSHI FINANCE CORPORATION LIMITED**

B-411, Crystal Plaza, New Link Road,  
Opp. Infinity Mall, Andheri West  
Mumbai – 400053.

We hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2014 and that to the best of our knowledge and belief;
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. No transaction is entered into by the company during the year which is fraudulent, illegal or volatile 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 the 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 financial reporting during the year.
  - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. 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 financial reporting.

**For Kamalakshi Finance Corporation Limited**

**Sd/-**

**Place: Mumbai,  
Date: 17/05/2014**

**Dheeraj Babulal Shah  
(Managing Director)**



# **COMPLIANCE CERTIFICATE**

**To**  
**The Members of**  
**Kamalakshi Finance Corporation Limited**

It is hereby certified and examined that as provided in Clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31<sup>st</sup> March, 2014.

**For Kamalakshi Finance Corporation Limited**

**Sd/-**  
**Dheeraj Babulal Shah**  
**(Managing Director)**

**Place: Mumbai**  
**Date: 17/05/2014**

**KAMALAKSHI FINANCE CORPORATION LIMITED**

**BALANCE SHEET AS AT 31ST MARCH 2014**

Particulars	Notes	Amount (Rs.)	
		As at 31 March, 2014	As at 31 March, 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	231,900,000	500,000
(b) Reserves and surplus	3	58,072,245	60,937
		289,972,245	560,937
<b>Share application money pending allotment</b>			
		-	-
<b>Non-current liabilities &amp; Provision</b>			
(a) Deferred tax liabilities (net)		-	-
(b) Long-term provisions		-	-
<b>Current liabilities &amp; Provision</b>			
(a) Trade payables	4	6,374,751	950,500
(b) Other current liabilities	5	1,782	42,344
(c) Short-term provisions	6	2,220	48,166
		6,378,753	1,041,010
<b>TOTAL</b>		<b>296,350,998</b>	<b>1,601,947</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	7	10,318	-
(b) Non-current investments	8	6,493,079	-
(c) Other Non Current Assets		-	-
		6,503,397	-
<b>Current assets</b>			
(a) Inventories	9	30,495,855	-
(b) Trade Receivables	10	54,891	1,193,500
(c) Cash and cash equivalents	11	3,968,220	404,447
(d) Short-term loans and advances	12	255,326,635	-
(d) Other Current Assets	13	2,000	4,000
		289,847,601	1,601,947
<b>TOTAL</b>		<b>296,350,998</b>	<b>1,601,947</b>
Significant Accounting Policies & Notes to Accounts	1 TO 27		

As per our report of even date

**For R SONI & CO.**

**Chartered Accountants**

**Firm Regn No: 130349W**

(Sd/-)

**Rajesh Soni**

**Partner**

**M.No.133240**

**Place : Mumbai**

**Date : 15/05/2014**

**For and on behalf of the Board**

(Sd/-)

**Dheeraj Shah**

**Director**

(Sd/-)

**Sheetal Shah**

**Director**

**KAMALAKSHI FINANCE CORPORATION LIMITED****STATEMENT OF PROFIT AND LOSS**

For the year ended 31st March 2014

Amount (Rs.)

Particulars	Notes	As at 31 March, 2014	As at 31 March, 2013
Revenue from operations	14	21,577,250	1,193,500
Other income	15	3,414,213	-
<b>Total revenue</b>		<b>24,991,463</b>	<b>1,193,500</b>
<b>Expenses</b>			
(a) Purchase of Shares		55,483,942	950,500
(b) Changes in Stock		(30,495,855)	-
(c) Employee Cost	16	464,501	-
(d) Finance costs		-	-
(e) Depreciation and amortisation expense	7	182	-
(f) Other Operating Expense	17	2,657,385	181,156
<b>Total expenses</b>		<b>28,110,155</b>	<b>1,131,656</b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>(3,118,692)</b>	<b>61,844</b>
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		(3,118,692)	61,844
Extraordinary items		-	-
Profit / (Loss) before tax		(3,118,692)	61,844
<b>Tax expense:</b>			
(a) Less : Current Tax		-	19,110
(b) Less : Earlier Year Tax Provision		-	9,102
(c) Less: Deferred tax		-	-
<b>Profit / (Loss) after Tax</b>		<b>(3,118,692)</b>	<b>33,632</b>
Basic and Diluted Earning per Share(Rs.)		(0.13)	0.67

Significant Accounting Policies &amp; Notes to Accounts

1 to 27

As per our report of even date

For R SONI &amp; CO.

Chartered Accountants

Firm Regn No: 130349W

For and on behalf of the Board

(Sd/-)

Rajesh Soni

Partner

M.No.133240

(Sd/-)

Dheeraj Shah

Director

(Sd/-)

Sheetal Shah

Director

Place : Mumbai

Date : 15/05/2014

**KAMALAKSHI FINANCE CORPORATION LIMITED**  
**Cash Flow Statement for the Year Ended 31.03.2014**

		Amount (Rs.)	
	Particulars	2013-2014	2012-2013
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	<b>Net Profit before Tax and Prior Period Items</b>	(3,118,691.55)	61,844.00
	Adjustment for:		
	Interest Income	3,413,803.00	-
	Depreciation	181.86	-
	<b>Operating Profit before Working Capital Changes</b>	<b>(6,532,312.69)</b>	<b>61,844.00</b>
	Adjusted for:		
	Trade Payables	5,383,689.00	(139,575.00)
	Provision	(45,946.00)	
	Trade Receivables	1,138,608.75	921,800.00
	Other Current Assets	(30,493,855.00)	-
	<b>Cash Generated from Operations</b>	<b>(30,549,815.94)</b>	<b>844,069.00</b>
	TDS	-	-
	Income Tax paid	-	(50,543.00)
	<b>Cash Flow Before Extraordinary Items and PPI</b>	<b>(30,549,815.94)</b>	<b>793,526.00</b>
	Extraordinary Items	-	-
	Prior Period Items	-	-
	<b>Net Cash From Operating Activity (A)</b>	<b>(30,549,815.94)</b>	<b>793,526.00</b>
<b>B</b>	<b>Cash From Investing Activities</b>		
	Purchase of Fixed Assets	(10,500.00)	
	Purchase of Investments	(6,493,079.07)	
	Interest Income	3,413,803.00	-
	<b>(B)</b>	<b>(3,089,776.07)</b>	<b>-</b>
<b>C</b>	<b>Cash Flow From Financing Activity</b>		
	Repayment of loan taken	-	(400,000.00)
	Increase in Capital	231,400,000.00	-
	Share Premium	61,130,000.00	(29,153.00)
	Loan Given	(255,326,635.00)	
	<b>(C)</b>	<b>37,203,365.00</b>	<b>(429,153.00)</b>
	<b>Net Increase/Decrease in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>3,563,772.99</b>	<b>364,373.00</b>
	Opening Balance of Cash and Cash Equivalents	404,446.00	40,073.00
	Closing Balance of Cash and Cash Equivalents	3,968,219.52	404,446.00

As per our report of even date

**For R SONI & CO.**  
**Chartered Accountants**  
**Firm Regn No: 130349W**

**For and on behalf of the Board**

(Sd/-)  
**Rajesh Soni**  
Part Director  
M.No.133240

(Sd/-) <b>Dheeraj Shah</b> Director	(Sd/-) <b>Sheetal Shah</b> Director
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Place : Mumbai  
Date : 15/05/2014

**SCHEDULE FORMING PART OF FINANCIAL STATEMENTS**

**Amount (Rs.)**

NOTE 2	AS AT 31-Mar-14	AS AT 31-Mar-13
<b>SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL</b>		
EQUITY SHARES		
25250000 shares of Rs. 10 each	252,500,000	2,500,000
	<b>252,500,000</b>	<b>2,500,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
EQUITY SHARES		
231,900,00 shares of Rs. 10 each Fully paid P.Y. 50000@10 /-	231,900,000	500,000
<b>TOTAL</b>	<b>231,900,000</b>	<b>500,000</b>

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the**

Particulars	Opening	Addition	Buy back	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2014				
- Number of shares	50000	23,140,000	-	23,190,000
- Amount (Rs.)	500000	231,400,000	-	231,900,000
Year ended 31 March, 2013				
- Number of shares	50000	-	-	50000
- Amount (Rs.)	500000	-	-	500000

**(ii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of	% holding in	Number of	% holding in that
<b>Equity shares with voting rights</b>				
Anand Kamalnayan Pandit	1600000	6.89%	-	-
Amardeep Kadam	1500000	6.46%	-	-
Vector Viniyog Private Limited	-	-	37,260.00	74.52%

NOTE 3	AS AT 31-Mar-14	AS AT 31-Mar-13
<b>RESERVE AND SURPLUS:</b>		
<b>GENERAL RESERVE</b>		
Surplus / (Deficit) in the Statement of Profit & Balance as per last Financial Statement	60,937	56,360
Add: Profit/ (Loss) for the Year	(3,118,692)	33,632
Less : Transfer to Reserve	-	-
Less : Proposed Dividend	-	25,000
Less : Tax on Proposed Dividend	-	4,056
Closing Balance	(3,057,755)	60,937
Share Premium	61,130,000	-
<b>TOTAL</b>	<b>58,072,245</b>	<b>60,937</b>

<b>NOTE 4</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>TRADE PAYABLES</b>		
Trade Payables		
Acceptances	6,374,751	950,500
<b>TOTAL</b>	<b>6,374,751</b>	<b>950,500</b>

<b>NOTE 5</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>OTHER CURRENT LIABILITIES:</b>		
a) Statutory dues	562	1,109
b) Unclaimed Dividend	1,220	1,220
c) Expenses Payable	-	40,015
<b>TOTAL</b>	<b>1,782</b>	<b>42,344</b>

<b>NOTE 6</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>SHORT TERM PROVISIONS:</b>		
a) Provision for Income Tax	-	19,110
b) Proposed Equity Dividend	2,220	25,000
c) Provision for tax on proposed equity	-	4,056
<b>TOTAL</b>	<b>2,220</b>	<b>48,166</b>

<b>NOTE 8</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>NON CURRENT INVESTMENTS</b>		
Share Investment	6,493,079	-
Investment in Confidence Finance And Market Value of Share (372399*5.21 )		
<b>TOTAL</b>	<b>6,493,079</b>	<b>-</b>

<b>NOTE 9</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>INVENTORIES</b>		
Shares in Closing Stock	30,495,855	-
<b>TOTAL</b>	<b>30,495,855</b>	<b>-</b>

<b>NOTE 10</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>Trade Receivables</b>		
<b>Unsecured -</b>		
<b>Considered Good :</b>		
Debts outstanding for a period exceeding six months	-	513000
Other Debts	54,891	680500
<b>TOTAL</b>	<b>54,891</b>	<b>1,193,500</b>

**KAMALAKSHI FINANCE CORPORATION LIMITED**

**NOTE "7" : FIXED ASSETS**

**Amount (Rs.)**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1st 2013	Additions during the year	Deduction during the year	As at March 2014	As at April 1, 2013	For the year	Deduction during the year	As at March 2014	As at March 2014	As at March 2013
Printer	-	10,500	-	10,500	-	182	-	182	10,318	-
<b>TOTAL</b>	-	<b>10,500</b>	-	<b>10,500</b>	-	<b>182</b>	-	<b>182</b>	<b>10,318</b>	-
<b>PREVIOUS YEAR</b>	-	-	-	-	-	-	-	-	-	-

<b>NOTE 11</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>CASH &amp; BANK EQUIVALENTS</b>		
<b>Cash and cash equivalents</b>		
a) Cash on Hand	574,259	2,054
b) In current account with scheduled banks	3,393,961	402,393
<b>TOTAL</b>	<b>3,968,220</b>	<b>404,447</b>

<b>NOTE 12</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>SHORT TERM LOANS &amp; ADVANCES</b>		
a) Deposits with others	102,000	-
b) Loans & Advances To Others	255,224,635	-
<b>TOTAL</b>	<b>255,326,635</b>	<b>-</b>

<b>NOTE 13</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>OTHER CURRENT ASSETS</b>		
Prepaid Expenses	2,000	4,000
<b>TOTAL</b>	<b>2,000</b>	<b>4,000</b>



**KAMALAKSHI FINANCE CORPORATION LIMITED**  
**SCHEDULE FORMING PART OF FINANCIAL STATEMENTS**

**Amount (Rs.)**

<b>NOTE 14</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>REVENUE FROM OPERATIONS</b>		
Revenue from Sales of shares	21,577,250	1,193,500
<b>TOTAL</b>	<b>21,577,250</b>	<b>1,193,500</b>
<b>NOTE 15</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>OTHER INCOME</b>		
Interest Income	3,413,803	-
Miscellaneous Income	410	-
<b>TOTAL</b>	<b>3,414,213</b>	<b>-</b>
<b>NOTE 16</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>Employee Cost</b>		
Salaries and Other Allowances	464,501	-
<b>TOTAL</b>	<b>464,501</b>	<b>-</b>
<b>NOTE 17</b>	<b>AS AT 31-Mar-14</b>	<b>AS AT 31-Mar-13</b>
<b>OTHER OPERATING EXPENSES</b>		
<b>Auditor's Remuneration:</b>		
Statutory Audit fees	40,000	11,236
Advertisement Expenses	46,718	55,441
Profession tax Expenses	2,000	2,000
Legal & Professional expenses	198,040	-
Listing Fees	296,630	111,634
ROC Expenses	1,819,287	-
Rent Expenses	54,000	-
Bank Charges	5,052	845
Share Transfer Charges	57,980	-
Rates and Taxes	33,356	-
Miscellaneous Expenses	85,364	-
Custodial Fees	16,854	-
Tax Provision	2,105	-
<b>TOTAL</b>	<b>2,657,385</b>	<b>181,156</b>

**KAMALAKSHI FINANCE CORPORATION LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS AT 31.03.2014**

**NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis & Method of Accounting**

The financial statements have been prepared on accrual basis under historical cost convention in accordance with generally accepted accounting principles in India and the provision of the Companies Act, 1956.

**b. Use of Estimates:**

The preparation of financial statements in conformity with generally accepted Accounting principles requires the management to make estimates and assumptions that affects the reported balances of assets and liabilities as of the date of financial statement and reported amount of income and expenses during the year. Management believes that the estimates used in the preparation of financial Statements are prudent and reasonable. Actual results could differ from the Estimates.

**c. Fixed Assets**

Fixed Assets are stated at cost of acquisition.

**d. Impairment of Assets**

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceed the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which the asset is identified as being impaired.

**e. Depreciation**

The depreciation on Fixed Assets is provided on straight line method, in accordance with the Schedule XIV to the companies Act, 1956. The depreciation on Assets added during the year has been provided on pro-rata basis with reference to the date on which the assets were put to use. No depreciation has been provided on the fixed assets, which have not been put to use.

**f. 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.

**g. Inventories**

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

**h. Research and Development Expenses**

Expenditure relating to capital items is debited to fixed assets and depreciated at applicable rates. Revenue expenses are charged to profit & loss account of the year.

**i. Retirement Benefits**

Retirement benefits are given as per term & condition of contract with employee. Short term Employee's benefits are recognized at the undiscounted ~~amount~~ the profit and loss account.

**j. Taxation**

Income-tax expenses comprise current tax and deferred tax charge or credit. The Deferred tax asset and deferred tax liability is calculated by applying tax rate and Tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax Assets arising mainly on account of brought forward losses And unabsorbed deduction under tax laws, are recognized, only if there is a Virtual certainty of its realization, supported by convincing evidence. Deferred tax Liability on account of other timing differences is recognized only to the extent. There is a reasonable certainty of its realization. At each Balance Sheet date, the Carrying amount of deferred tax assets is reviewed to reassure realization.

**k. Earning Per Shares**

The earnings considered in ascertaining the Company's EPS are computed as per Accounting Standard 20 on "Earning Per Share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

**m. Other Accounting policies**

These are consistent with generally accepted accounting practices.

**18. Auditor's remuneration paid / payable during the year financial year is as under:**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Statutory Audit Fee	30000	10000
Tax Audit Fees	10000	-
Service Tax	4400	1236

**19. Earnings per Share**

In compliance of Accounting Standard -20 on "Earning Per Share" issued by The Institute of Chartered Accountants of India, the computation of Earning per share is as under:

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Net Profit / (Loss) After Tax	(3,118,692)	33,632
Weighted average number of Equity Shares	231,900,00	50,000
Nominal Value of Equity Share	10	10
Earnings Per Share Basic	(0.13)	0.67
Earnings Per Share Weighted	(0.26)	0.00
Earnings Per Share Diluted	(0.13)	0.0014

**20. Related Party Transactions**

In accordance with the Accounting Standard 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the transactions with the related parties of the Company are disclosed below:

<b>Name of the related party with whom transactions have been made</b>	<b>Description of relation with the party</b>	<b>Nature of Transaction</b>	<b>Amount 2013-2014</b>	<b>Amount outstanding as at 31st March,2014</b>
Essar India Ltd.	Director 's Holding	Loans & Advances Given	1,02,50,000.00 (P.Y. -NIL)	NIL
Essar India Ltd.	Director 's Holding	Loans & Advances Repayment	1,02,50,000.00 (P.Y. -NIL)	NIL

21. Contingent Liabilities: - NIL

22. There is no impairment of assets as per AS 28 issued by ICAI.

23. In the opinion of the Board, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount which they are stated in the Balance Sheet and provision for all known and determined liabilities is adequate and not in Excess of amount reasonably required. Further balances are subject to confirmation.

24 Non provision of dimension value of investment Rs 45,52,880 /-

25 Non Provision of Deferred Tax due to uncertainty of revenue.

26 Previous year figures have been regrouped, reclassified and recast wherever considered necessary.

27 Figures have been rounded off to nearest rupee.

**For R. Soni & Co.  
Chartered Accountants  
(F.R.N - 130349W)**

**For and on behalf of the Board of Director**

**(Sd/-)  
(Rajesh Soni)  
Partner**

**(Sd/-)  
Dheeraj Shah  
Director**

**(Sd/-)  
Sheetal Shah  
Director**

**M. No.-133240**

**Date:- 15.05.2014**

**Place: - MUMBAI**

# KAMALAKSHI FINANCE COPORATION LIMITED

Regd Off: B-411, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (w), Mumbai –400 053.

CIN: L67120MH1973PLC016243 email id: [kamalakshifinance@gmail.com](mailto:kamalakshifinance@gmail.com) website: [www.kamalakshifinance.com](http://www.kamalakshifinance.com)

## ATTENDANCE SLIP

### 41st Annual General Meeting

Regd. Folio No. \_\_\_\_\_

No. of Shares: \_\_\_\_\_

D.P. I. D\* \_\_\_\_\_

Client ID\* \_\_\_\_\_

Name of the Attending Member \_\_\_\_\_

I / We hereby record my/our presence at the 41st Annual General Meeting of the company at Regd. Off: B-411, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (w), Mumbai – 400 053.

Signature of the shareholder(s), / Proxy/ Representative \_\_\_\_\_

Note:

- 1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the entrance.
- 2) Member/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

# KAMALAKSHI FINANCE COPORATION LIMITED

Regd Off: B-411, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (w), Mumbai –400 053.

CIN: L67120MH1973PLC016243 email id: [kamalakshifinance@gmail.com](mailto:kamalakshifinance@gmail.com) website: [www.kamalakshifinance.com](http://www.kamalakshifinance.com)

## PROXY FORM

Regd. Folio No. \_\_\_\_\_

No. of Shares: \_\_\_\_\_

D.P. I. D\* \_\_\_\_\_

Client ID\* \_\_\_\_\_

I/we \_\_\_\_\_ of

\_\_\_\_\_ Being a shareholder/shareholders of Kamalakshi Finance Corporation Ltd Hereby appoint \_\_\_\_\_ or failing him/her \_\_\_\_\_ as my/ our proxy to attend and vote for me / us and on my/ our behalf at the 41st Annual General meeting of the Company to be held on 14/06/2014 at 3:00 P.M. and at any adjournment thereof in respect of the following resolutions:-

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of the shareholder \_\_\_\_\_

Affix  
Re. 1/-  
Revenue  
Stamp

Note: The Proxy form duly completed and signed must be deposited at the Registered office of the company not less than 48 hours before the time for holding the Meeting.

\*Applicable for shares held in electronic form

# ***BOOK POST***

If undelivered please return to:

**REGISTERED OFFICE**  
**B/411, CRYSTAL PLAZA,**  
**NEW LINK ROAD, ANDHERI (WEST),**  
**MUMBAI: 400053.**  
Email: [kamalakshfinance@gmail.com](mailto:kamalakshfinance@gmail.com)  
Website: [www.kamlakshifinance.com](http://www.kamlakshifinance.com)