



Ken Financial Services Limited

**14TH Annual Report
2007 – 2008**



Annual Report - 2007-2008

BOARD OF DIRECTORS

SHRI KAMAL KUMAR CHAUDHARY
Chairman

SHRI MANOJ MORE
Independent Director

SHRI NAWAL BANSAL
Independent Director

SHRI SHARAD KUMAR GUPTA
Executive Director

AUDITORS

VISHNU SARAF & ASSOCIATES
Chartered Accountants.

REGISTERED OFFICE.

302, STANDARD HOUSE,
83, M. K. ROAD, MARINE LINES,
MUMBAI – 400002.
TELEFAX : 022-2205 5456

BANKERS

HDFC BANK
BANK OF INDIA

TRANSFER AGENT

M/s. Purva Sharegistry (India) Private Limited
33 Printing House, 28-D, Police Court Lane,
Behind old Hanuman House, Mumbai - 400 001.
Tel No. 56348073, 56348074 Fax No. : 22626407.
Contact Person: Mr. Rajesh Shah



14th ANNUAL REPORT

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NOTICE OF THE 14TH ANNUAL GENERAL MEETING

Notice is hereby given that 14th Annual General Meeting of the members of **KEN FINANCIAL SERVICES LIMITED** will be held on Tuesday, the 30th day of September, 2008 at 3.30 P.M., at Registered Office of the Company situated at 302, Standard House, 83, M.K. Road, Marine Lines, Mumbai – 400 002 to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2008 and Profit & Loss Account for the year ended on that date together with the Director's Report and Auditor's Report thereon.
2. To appoint a director in place of Mr. Manoj More and Mr. Sharad Kumar Gupta Who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modifications, if any the following as an ordinary resolution:

"RESOLVED THAT M/S Vishnu Saraf & Associates, Chartered Accountants, Mumbai be and are hereby appointed as statutory auditors of the company to hold office from the conclusion of this Annual General Meeting up-to the conclusion of next Annual General Meeting of the company on such remuneration as may be fixed by the Board of Directors of the company.

4. To do any other business with permission of the chair.

By order of the Board of Directors

Place: MUMBAI

(DIRECTOR)

Date : 29-07-2008



NOTES:

- (a) A member of the company entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the company, not less than 48 hours before the commencement of meeting.
- (b) The Register of Members and the Share Transfer Books will remain closed from 28/09/2008 to 30/9/2008, both days inclusive.
- (c) Members / Proxies are requested to bring annual report along-with the attendance slip filled for attending the meeting.
- (d) M/S Purva Shareregistry (India) Private Limited, 33, Printing House, 28-D, Police Court Lane, Mumbai – 400001 is the Registrar and Share Transfer Agent for the physical shares of the company and also the depository interface of the company with both NSDL and CDSL.
- (e) Queries on accounts and operations may please be sent to the company 5 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.

By order of the Board of Directors

Place: MUMBAI
Date : 29-07-2008

(DIRECTOR)



DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the FOURTEENTH ANNUAL REPORT and the Audited Statements of Accounts of the Company for the year ended 31st March, 2008.

FINANCIAL RESULTS :

Particular	Year ended 31st March, 2008 Rupees	Year ended 31st March, 2007 Rupees
Total Income From Operation	5,09,07,009	89,42,442
Less: Expenses	4,75,76,934	67,78,764
Profit / (Loss) before Dep.	33,30,075	21,63,678
Less: Depreciation	2,29,130	1,78,165
Profit / (Loss) before Tax	31,00,945	19,85,513
Less: Provision for Taxation	3,55,000	60,000
Provision for Deferred Tax	27,283	1,25,976
Provision for Fringe Benefit Tax	16,500	5,500
Profit / (Loss) after Tax	27,02,162	17,94,037

REVIEW OF OPERATIONS :

During the year under review, the Company has achieved income from operation of Rs. 5,09,07,009/- as compared to Rs. 89,42,442/- during the previous year and has earned profit after tax of Rs.27,02,162/- as compared to net profit after Tax of Rs. 17,94,037/- during the previous year. However the Directors are hopeful of even better performance in the future.

DIVIDEND:

With a view to conserve the resources of the Company, the Directors abstain from declaring any dividend for the year under review.

FINANCE :

The Authorised Share Capital of the Company is Rs. 325.00 Lacs and Paid-up Share Capital is Rs. 300.01 Lacs.

FIXED DEPOSITS :

The Company has so far not invited any deposits from the public.

DIRECTORATE:

The Board at present comprises of Mr. Kamal Kumar Chaudhary, Mr. Manoj More, Nawal Bansal and Mr. Sharad Kumar Gupta all having vast experience in business and profession.

In accordance with the provisions of the Companies Act, 1956, Mr Manoj More and Mr. Sharad Kumar Gupta retire by rotation and being eligible offers themselves for reappointment. The Directors commend the resolution for approval by the member.

DIRECTORS RESPONSIBILITY STATEMENT :

Directors hereby state that:

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to the material departures.



- (ii) The Directors had select such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, at the end of the financial year and of the profit or loss of the Company for that year.
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors had prepared the annual accounts on a going concern basis.

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

Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, require disclosure of the particulars regarding conservation of Energy and Technology absorption.. The Company on a continuous basis undertakes program of conserving energy. The Company also continued its efforts towards improving the efficiency of its operations.

PARTICULARS OF EMPLOYEES:

Your Company continues to receive good support from its employees at all levels and the relations between the Company and the employees continue to be cordial. There being no employees, who were in receipt of remuneration of Rs. One Lacs per month (if employed for the part of the year) or Rs. 12 Lacs per annum (if employed for whole of the year) information required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the employees) Rules 1975 and forming the part of the Directors' report for the period ended 31st March 2008, had not been given.

CORPORATE GOVERNANCE:

Under the Listing Agreement, the provisions of Clause 49 relating to Corporate Governance are applicable to the Company effective 31st March 2003. However, the Company has already initiated steps to comply with the requirements. The Audit Committee is not required to be formed pursuant to Section 292A of the Companies Act, 1956 since the paid-up Capital is less than Rs. 5 Crores. The Corporate Governance Report and Certificate from Auditor is given in Annexure-1 and forms part of this report.

AUDITORS :

M/s. Vishnu Saraf and Associates, Chartered Accountants retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and, being eligible, have offered themselves for re-appointment.

ACKNOWLEDGEMENTS:

The Directors have pleasure to place on record their appreciation for the valuable co-operation and assistance by the Company's Bankers, Associates, Investors and Employees.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Date : 30-06-2008

DIRECTOR



REPORT ON CORPORATE GOVERNANCE

ANNEXURE - 1

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company has incorporated a separate Section of Report on Corporate Governance in this Report in compliance with the Clause 49 of the Listing Agreement with the Stock Exchange, Mumbai thus committing it to transparency in all its dealings and places emphasis on business ethics.

Hope, by way of transparency in corporate management and reporting practices this will make a value addition.

2. BOARD OF DIRECTORS

(i) Composition of Board, Directorships and Committees position held in other Companies as at 31st March 2008

Directors	Executive / Non-Executive/ Independent	No. of outside Directorship Held	Outside Committees#	
			As Chairman	As member
Mr. Kamal Kumar Chaudhary	Executive	1	None	None
Mr. Nawal Bansal	*Non Executive	2	None	None
Mr. Sharad Kumar Gupta	Executive	1	None	None
Mr. Manoj More	*Non Executive	2	None	None

* Also Independent

Only three Committees viz. Audit Committee, Shareholders' Grievance Committee and Remuneration committee are considered for this purpose

(ii) Attendance of Directors in meetings held during the financial year 2007-2008.

Sr. No.	Nature & date of meetings	Name of Directors			
		Kamal Kumar Chaudhary	Nawal Bansal	Sharad Kumar Gupta	Manoj More
1	Board on 25.04.2007	Present	Present	Present	Absent
2	Board on 30.06.2007	Present	Present	Present	Present
3	Board on 31.07.2007	Present	Present	Present	Present
4	Board on 31.10.2007	Present	Present	Present	Present
5	Board on 29.01.2008	Present	Present	Present	Present
6	Board on 17.03.2008	Present	Absent	Present	Present
7	Members on 29.09.07	Present	Present	Present	Present



3. AUDIT COMMITTEE

(i) Terms of Reference

The Audit Committee has been mandated with the terms of reference as specified in Clause 49 of the Listing agreement with the Stock Exchange, Mumbai & enumerated in section 292A of the Companies Act, 1956 and covers all the aspects stipulated by the SEBI Guidelines.

(ii) Composition Name of Members and Chairman

The Audit Committee is comprised of one executive and one independent director. During the financial year ended 31.03.2008, four Committee Meetings were held on 25th June, 2007, 27th July, 2007, 26th October, 2007 & 25th January, 2008. The composition of the Audit Committee and the attendance of each Director at their meetings are as follows:-

Sr. No	Members	Meetings attended
1	Mr. Kamal Kumar Chaudhary, Chairman	Yes
2	Mr. Manoj More	Yes

(iii) Invitee: (being entitled to attend as per relevant provisions of applicable laws/rules and/or as and when felt necessary)

(a) The Statutory Auditors viz. Vishnu Saraf and Associates.

(iv) The Chairman of the Audit Committee attended the Annual General Meeting held on 29th September, 2007 and provided clarifications to the members of the Company on the matters relating to Accounts and finance.

(v) An Audit Committee meeting was held on 25th June, 2007 where the Annual Financial Statements for the year ended 31st March, 2007 were reviewed and examined by the members of the Audit Committee before recommending the same to the Board of Directors for their perusal and adoption.

The Audit Committee reviewed the Quarterly/Half Yearly Unaudited Financial Results on the following dates before recommending the same to the Board.

Financial Reporting	Date of Approval by Audit Committee
Quarter/Year ended 31st March, 2007	25th June, 2007
Quarter ended 30th June, 2007	27th July, 2007
Quarter/Half Year ended 30th Sept. 2007	26th October, 2007
Quarter ended 31st December, 2007	25th January, 2008

4. REMUNERATION COMMITTEE

The Company has constituted a Remuneration Committee to determine the remuneration payable to the Managing Director & Director taking in to account their qualification, experience, expertise, contribution and prevailing level of remuneration in Companies of corresponding size and stature.

5. SHAREHOLDERS COMMITTEE

(i) The Company has a 'Share Transfer Committee' to approve transfer and transmission of securities, issue of duplicate certificates and deals with other Shareholder related issues headed by Mr. Sharad Kumar Gupta, Executive Director of the Company. The Committee met twice during the year.