



Ken Financial Services Limited

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**15TH Annual Report
2008 – 2009**



Annual Report - 2008-2009

Board of Directors

MR. KAMAL KUMAR CHAUDHARY
Chairman

MR. SHARAD KUMAR GUPTA
Executive Director

MR. MANOJ MORE
Independent Director

MR. SHASHIKANT MODI
Independent Director

MR. SUNIL SHIVKUMAR SAINI
Independent Director

MR. MANISH GOYAL
Independent Director

Auditors

V. P. Agrawal & Co.
Chartered Accountants

Registered Office

302, Standard House,
83, M.K. Road, Marine Lines,
Mumbai – 400 002
Telefax : 022-2205 5456

Bankers

HDFC Bank
Bank of India

Transfer Agent

M/s Purva Sharegistry (India) Private Limited
No.9, Shiv Shakti Industrial Estate, Ground Floor, J.R. Boricha Marg,
Opp. Kasturba Hospital, Lower Parel, Mumbai – 400 011
Tel No. -22 2301 6761 / 2301 8261
Fax No. : 022 2301 2517
Contact Person: Mr. Rajesh Shah



15th ANNUAL REPORT

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NOTICE OF THE 15TH ANNUAL GENERAL MEETING

NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Members of M/s. Ken Financial Services Limited will be held at Registered Office of the Company at, 302, Standard House, 83, M.K. Road, Marine Lines, Mumbai - 400 002 on 30TH September 2009, at 3.30 P.M. to transact the following business: -

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2009 and Profit & Loss Account for the period ended on that date together with the Director's Report and Auditor's Report thereon.
2. To appoint a director in place of Mr. Kamal Kumar Choudhary, 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. V. P. Agrawal & Co., Chartered Accountants, Mumbai be and are hereby appointed as statutory auditor 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. Appointment of Mr. Shashikant Modi as a Director.

To Consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution:

"RESOLVED THAT Mr. Shashikant Modi, who was appointed by the board of directors as an Additional Director of the Company with effect from October 01, 2008 and who holds office up to the date of forthcoming Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a Notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company liable to retire by rotation."

5. Appointment of Mr. Sunil Shivkumar Saini as a Director.

To Consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution :

"RESOLVED THAT Mr. Sunil Shivkumar Saini, who was appointed by the board of directors as an Additional Director of the Company with effect from October 01, 2008 and who holds office up to the date of forthcoming Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a Notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company liable to retire by rotation."



NOTICE OF THE 15TH ANNUAL GENERAL MEETING

6. Appointment of Mr.Manish Kumar Goyal as a Director.

To Consider and, if thought fit ,to pass with or without modification, the following resolution as an Ordinary resolution :

"RESOLVED THAT Mr.Manish Kumar Goyal ,who was appointed by the board of directors as an Additional Director of the Company with effect from October 01, 2008 and who holds office up to the date of forthcoming Annual General Meeting of the Company, in terms of Section 260 of the Companies Act,1956 ("the Act") and in respect of whom the Company has received a Notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company , be and is hereby appointed a Director of the Company liable to retire by rotation."

By order of the Board of Directors
Ken Financial Services Limited

Place: Mumbai
Date: 30/06/2009

Sd/-
DIRECTOR



NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. Proxies, in order to be effective, should be duly completed ,stamped, and signed and must be deposited at the registered office of the Company not less than 48 hours before the meeting.
3. Members holding shares in physical form are requested to notify any change in their address/ mandate/bank details to the Company's Registrar and Share Transfer Agent.
4. Members holding shares in physical form, who have multiple accounts in identical names or joint accounts in the same order, are requested to send all the Share Certificates(s) for consolidation of all such shareholding into one account, to the Company's Registrar and Share transfer Agent.
5. Members are requested to intimate immediately, any change in their address to Compny's Registrar & Share Transfer Ageny, Purva Sharegistry(India) Pvt.Ltd., No.9 shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Lower Parel (East),Mumbai – 400 011. Tel no. 022-2301 6761
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday ,the 28th September 2009 to Wednesday the 30th September 2009 (both Days inclusive.)
7. Members are requested to bring their copies of Annual Reports to the Meeting.
8. Members desirous of raising queries at the AGM are request to send their questions so as to reach the Company's Registered Office at least seven days in advance before the AGM so that the same can be adequately replied.

Explanatory Statement as required under section 173 of the Companies Act, 1956.

Item No. 4, 5 and 6.

Mr. Shashikant Modi, Mr. Sunil Shivkumar Saini and Mr. Manish Kumar Goyal were appointed as additional directors by the Board. They hold office only upto the date of Annual General Meeting. The Company has received a notice in writing from a member pursuant to the provisions of section 257 of the companies Act, 1956 proposing Mr. Shashikant Modi, Mr. Sunil Shivkumar Saini and Mr. Manish Kumar Goyal for the office of Director.

Mr. Shashikant Modi is a Chartered Accountant and possess more than five years of professional experience.

Mr. Sunil Shivkumar Saini is a commerce graduate and possesses more than ten years of experience in the industries.



Mr. Manish Kumar Goyal is a Chartered Accountant and possess more than five years of professional experience.

The Board of Directors considers that in view of the background and experience of Mr. Shashikant Modi, Mr. Sunil Shivkumar Saini and Mr. Manish Kumar Goyal it would be in the interest of the Company to appoint them as directors of the Company.

The Board recommends these resolutions for approval. No Directors is concerned or interested in the passing of these resolutions.

By order of the Board of Directors
Ken Financial Services Limited

Place: Mumbai
Date: 30/06/2009

Sd/-
DIRECTOR

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INFORMATION TO BE FURNISHED UNDER THE LISTING AGREEMENT

Additional information of Directors Being reappointed at the 15th Annual General Meeting fixed on 30.09.2009

Details			
Name	Mr. Shashikant Modi	Mr. Sunil Shivkumar Saini	Mr. Manish Kumar Goyal
Date Of Birth	01.01.1980	20.10.1966	31.07.1970
Qualification	C.A.	B.Com.	C.A.
Experience	He is having more than 5 years of Professional Experience in the field of Audit and Taxation	He is having more than 10 years experience in the Industry	He is having more than 5 years of Professional Experience in the field of Audit and Taxation and company law matters
Shareholding	NIL	NIL	NIL



DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the FIFTEENTH ANNUAL REPORT and the Audited Statements of Accounts of the Company for the year ended 31st March, 2009.

FINANCIAL RESULTS :

Particular	Year ended 31st March, 2009 Rupees	Year ended 31st March, 2008 Rupees
Total Income From Operation	1,98,18,329	5,09,07,009
Less: Expenses	1,63,72,086	4,75,76,934
Profit / (Loss) before Dep.	36,90,800	33,30,075
Less: Depreciation	2,44,557	2,29,130
Profit / (Loss) before Tax	34,46,243	31,00,945
Less: Provision for Taxation	3,60,000	3,55,000
Provision for Deferred Tax	14,801	27,283
Provision for Fringe Benefit Tax	26,000	16,500
Profit / (Loss) after Tax	30,45,442	27,02,162

REVIEW OF OPERATIONS :

During the year under review, the income from operation of the Company is Rs. 198.18 Lakh as compared to Rs. 509.07 Lakh earned during the previous year and has earned profit after tax of Rs.30.45 Lakh as compared to 27.02 Lakh earned 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.

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) :

Company's Financial Review

The Company has earned net profit of Rs.30.45 Lacs for the year 2008-2009 as compared to a net profit of Rs. 27.02 lacs earned in the previous year 2007-08. The Company's income is mainly derived from the investments and activity from Commodity market, Finance Consultancy and Textiles Sector.

Resources & Liquidity

Company has invested the liquid resources in Inter Corporate Deposits to earn interest income wherever it was considered appropriate.

Industry & Development.

The global economic conditions deteriorated sharply during the year 2008 with several advanced economies experiencing their sharpest declines. The volatile movement of the Sensex and other similar indicators during the year was mainly due to recession in global financial market and uncertainty of investment decisions of major foreign and local players. However the situation is improving and hopes for good investment environment in the country.

Business Review

The Indian economy, which was on a robust growth path up to 2007-08 averaging at 9 per cent during the period 2003-04 to 2007-08, witnessed moderation in 2008-09, with the deceleration turning out to be somewhat sharper in the third quarter. Industrial growth experienced a significant downturn and the loss of growth momentum was evident in all categories, viz., the basic, and intermediate and consumer goods. However, the fiscal stimulus packages of the Government of India and monetary policy of Reserve Bank of India will arrest the moderation in growth and revive consumption and investment demand. In the wake of expected improvement in industrial production as well as low international commodity prices, inflationary pressures are also anticipated to remain at a low level through the greater part of current



financial year. The expected growth in the industry will really provide the opportunity to the company to invest in selected high profile companies and to improve its performance in the years to come.

Adequacy of Internal Control

The company has an adequate system of internal control, which assures us of maintaining proper accounting records and reliability of financial information. The Company ensures adherence to all internal control policies and procedures as well as compliances with regulatory guidelines.

Human Resource Development

The Company has a team of able and experienced industry professionals. There is in place a well – defined in house training program for its employees.

FIXED DEPOSITS :

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

DIRECTORATE:

In Accordance with Articles of Associations of the Company Mr. Kamal Kumar Choudhary Chairman and Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Nawal Bansal, retired as a Director on October 1, 2008, the Board wishes to place on record its appreciation for his valuable contribution during his association with the Company.

Mr. Shashikant Modi has been appointed as an independent Director on the board with effect from October 1, 2008. He is a Chartered Accountant having more than 5 years of professional experience in the field of audit and taxation. In accordance with the provisions of the Companies Act 1956, resolutions seeking approval of the members for appointment have been incorporated in the notice of forthcoming annual General meeting and the explanatory statement thereto.

Mr. Sunil Shivkumar Saini has been appointed as an independent Director on the board with effect from October 1, 2008. He is a commerce graduate having more than 10 years of experience in the industries. He is a Director in Kishore Logistics Pvt. Ltd. In accordance with the provisions of the Companies Act 1956, resolutions seeking approval of the members for appointment have been incorporated in the notice of forthcoming annual General meeting and the explanatory statement thereto.

Mr. Manish Kumar Goyal has been appointed as an independent Director on the board with effect from October 1, 2008. He is a Chartered Accountant having more than 5 years of professional experience in the field of audit and taxation. He is a Director in BSM Hotel Pvt. Ltd. In accordance with the provisions of the Companies Act 1956, resolutions seeking approval of the members for appointment have been incorporated in the notice of forthcoming annual General meeting and the explanatory statement thereto.

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.



c) Attendances of Directors at meetings

(Attendance of Directors in meetings held during the financial year 2008-2009.

Sr. No.	Nature & date of meetings	Name of Directors						
		Kamal Kumar Chaudhary	Nawal Bansal*	Sharad Kumar Gupta	Manoj More	Shashikant Modi**	Sunil Shivkumar Saini**	Manish Goyal**
1	Board on 26.04.2008	Present	Present	Present	Present	NA	NA	NA
2	Board on 30.06.2008	Present	Present	Present	Present	NA	NA	NA
3	Board on 30.07.2008	Present	Present	Present	Present	NA	NA	NA
4	Board on 01.08.2008	Present	Present	Present	Present	NA	NA	NA
5	Members on 30.09.2008	Present	Present	Present	Present	NA	NA	NA
6	Board on 01.10.2008	Present	NA	Present	Present	NA	NA	NA
7	Board on 31.10.2008	Present	NA	Absent	Present	Present	Present	Absent
8	Board on 30.01.2009	Present	NA	Present	Present	Present	Absent	Present
9	Board on 09.03.2009	Present	NA	Present	Present	Present	Present	Present

* Resigned with effect from 01.10.2008

** Appointment with effect from 01.10.2008

None of the Directors are nominee of any Institutions

3. AUDIT COMMITTEE

(i) Composition Name of Members and Chairman

The Audit Committee is comprised of one executive and one independent director. During the financial year ended 31.03.2009, four Committee Meetings were held on 25th June, 2008, 28th July, 2008, 27th October, 2008 & 27th January, 2009. 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

(ii) 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 In Brief the powers and responsibilities are

- + Recommending the appointment/removal of Statutory Auditors, fixations of Auditors remunerations and also approval of payments for any other services
- + Reviewing with management the financial statements before submission of the same to the Board
- + Overseeing of Company's financial reporting process and disclosure of its financial information's to ensure that the financial statement is correct, sufficient and credible.
- + Reviewing the adequacy of internal control systems & audit function in the company.
- + Reviewing the company financial risk management policies.
- + Discussing with Statutory Auditors, any significant finding in their reports and follow up thereon and reviewing the reports furnished by them