



# **Ken Financial Services Limited**



**16<sup>TH</sup> Annual Report  
2009 - 2010**

# 16th ANNUAL REPORT

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**Board of Directors**

MR. SHARAD KUMAR GUPTA  
Executive Director

MR. MANOJ MORE  
Independent Director

MR. SHASHIKANT MODI  
Independent Director

MR. SUNIL SHIVIKUMAR 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

## NOTICE

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NOTICE is hereby given that the Sixteenth 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 2010, at 3.30 P.M. to transact the following business: -

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and Profit & Loss Account for the period ended on that date together with the Director's Report and Auditor's Report thereon.
2. To declare dividend for the financial year ended 31st March, 2010.
3. To appoint a director in place of Mr. Manish Goyal, who retires by rotation and being eligible, offers him-self for re-appointment.
4. To appoint a director in place of Mr. Shashikant Modi, who retires by rotation and being eligible, offers him-self for re-appointment.
5. To consider and if thought fit, to pass with or without modifications, if any the following as an ordinary resolution:

"RESOLVED THAT pursuant to provisions of section 224, 225 and other applicable provisions, if any, of the companies act, 1956, M/s Motilal & Associates, Chartered Accountants, Mumbai be 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 in place of V. P. Agrawal & Company, Chartered Accountants, Mumbai the retiring auditors of the company, who expressed their unwillingness to be reappointed as statutory auditors of the company on their retirement at this Annual General Meeting, on such remuneration to be negotiated and fixed by the Audit Committee / Board of Directors of the company.

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

"RESOLVED THAT Mr. Rushikesh Narlawar, Who was appointed as an Additional Director under section 260 of the Companies Act, 1956, effective 25th July, 2010 and holds office up-to the 16th Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT Mr. Pramod Kumar Sharma, Who was appointed as an Additional Director under section 260 of the Companies Act, 1956, effective 25th August, 2010 and holds office up-to the 16th Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Registered Office:  
302, Standard House,  
M. K. Road,  
Marine Lines,  
Mumbai - 400 002

By order of the Board of Directors

DIRECTOR

Place: Mumbai  
Date: 31/08/2010

#### NOTES

1. A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
  
Proxies, in order to be effective, should be duly completed, stamped, signed and must be deposited at the registered office of the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books shall remain closed from Tuesday, the 28th September 2010 to Thursday the 30th September 2010 (both Days inclusive) in connection with ensuing Annual General Meeting and the payment of Dividend.
3. Dividend recommended by the Board and approved by the members at the Annual General Meeting, will be paid on or before 29th October, 2010. In respect of shares held in physical form, the dividend will be payable to those members whose names appear on the Registrar of Members on 30th September, 2010. In respect of shares held in electronic form, dividend will be payable to beneficial owners of the shares as on 30th September, 2010 as per details furnished by the Depositories.
4. In terms of Sections 205A and 205C of the Companies Act, 1956 the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund.
5. Members holding shares in dematerialized mode are requested to instruct their respective Depository Participants regarding Bank Account in which they wish to receive the dividend. However, the bank details as furnished by the respective Depositories to your company will be used for the purpose of distribution of dividend through Electronic Clearing Service (ECS) as directed by the Stock Exchanges. Your Company / Registrar and Share Transfer Agents will not act on any direct request from members holding shares in dematerialized form for change / deletion of such bank details.
6. Members holding shares in physical form are requested to inform the company / registrar and Share Transfer Agents of any change in their addresses immediately for future communication at their correct addresses and members holding shares in demat form are requested to notify to their Depository Participants.



7. Members holding shares in identical order of names in more than one folio are requested to write to the company's share transfer agent to enable them to consolidate their holdings into one folio.
8. Members are requested to intimate immediately, any change in their address to Company's Registrar & Share Transfer Agency, Purva Shareregistry(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
9. Members are requested to bring their copies of Annual Reports to the Meeting.
10. 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.
11. Members are requested to quote their folio numbers / DP ID and Client ID numbers in all correspondence with the company and the registrar and the share transfer agent.
12. Documents referred to in the accompanying Notice are available for inspection at the registered office of the company on working days between 10.00 A.M. to 2.00 P.M. prior to the Annual General Meeting.
13. Members desirous of obtaining any information / clarification (s) concerning the accounts and operations of the company or intending to raise any query are requested to forward the same at

**Explanatory Statement as required under section 173 (2) of the Companies Act, 1956**

Item No. 6 & 7

Mr. Rushikesh Narlawar and Mr. Pramod Kumar Sharma were appointed as additional director by the Board. They hold office only up-to 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. Rushikesh Narlawar and Mr. Pramod Kumar Sharma for the office of Director.

Mr. Rushikesh Narlawar is a B.E. (Mech.) and is actively involved in construction industry.

Mr. Pramod Kumar Sharma is a Ex Air Force pilot and has vast experience in the field of administration and security services.

The Board of Directors considers that in view of the background and experience of Mr. Rushikesh Narlawar and Mr. Pramod Kumar Sharma, it would be in the interest of the Company to appoint them as directors of the Company. The Board recommends the resolution for your approval.

Registered Office:  
302, Standard House,  
M. K. Road,  
Marine Lines,  
Mumbai – 400 002

By order of the Board of Directors

DIRECTOR

Place: Mumbai  
Date: 31/08/2010

**INFORMATION TO BE FURNISHED UNDER THE LISTING AGREEMENT**  
(Pursuant to Clause 49 of the Listing Agreement)

**Details of Directors seeking Appointment at the Annual General Meeting**

Name	Mr. Rushikesh Narlawar	Mr. Pramod Kumar Sharma
Date of Birth	14.12.1960	02.07.1974
Qualification	B.E. (Mech.)	Ex Air Force Pilot
Experience	He possesses more than five years of experience in the Construction field.	He possesses vast experience in the field of security and administration.
Shareholding	NIL	NIL

**Additional information of Directors seeking reappointed at the Annual General Meeting**

Name	Mr. Shashikant Modi	Mr. Manish Kumar Goyal
Date of Birth	01.01.1980	31.07.1970
Qualification	C.A.	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 5 years of Professional Experience in the field of Audit and Taxation and company law matters
Shareholding	NIL	NIL

**CORPORATE GOVERNANCE:**

The Corporate Governance Report and Certificate from Auditor is given in Annexure-1 and forms part of this report.

**AUDITORS:**

M/s Motilal & Associate, Chartered Accountants, Mumbai be 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 in the place of M/s V. P. Agrawal & Company, Chartered Accountants, Mumbai the retiring auditors of the company, who expressed their unwillingness to be reappointed as statutory auditors of the company on their retirement at this Annual General Meeting.

**COMPLIANCE CERTIFICATE**

A Certificate from the Auditors of the Company regarding Compliance of conditions of corporate governance as stipulated under clause 49 of the listing agreement is attached to this report

**DEMATERIALISATION**

The Shares of the Company are traded compulsorily in demat form and are available for trading under both the Depository systems in India i.e. NSDL (National Securities Depository Limited and CDSL (Central Depository Service (India) Limited)

Under the Depository system, the International Securities Identification Number (ISIN) allotted to the company's Equity Shares is INE 395E01018

**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.

**CAUTIONARY STATEMENT**

The statements in this report including Management's Discussion and Analysis report reflects Company's projections estimates, expectations or predictions and contain forward looking statements that involve risks and uncertainty. The Company and the Management shall not be held liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein. Readers are cautioned not to place undue reliance on these forward looking statements that speak only of the expectations as on that date.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai  
Date : 31-05-2010

Sd/-  
DIRECTOR



## ANNEXURE - 1

### REPORT ON CORPORATE GOVERNANCE

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on the corporate governance is aimed at strengthening the confidence of the shareholders in the Company and building a long term relationship of trust with them by maintaining transparency and periodical disclosures.

Company is committed to achieving the highest international standards of Corporate Governance. Company believes that all its operations and actions must serve the underlying goal of enhancing overall Shareholders value, over a sustained period of time

#### 2. BOARD OF DIRECTORS

(i) Composition of Board, Directorships and Committees position held in other Companies as at 31st March 2010.

##### a) Composition

Company's policy is to maintain optimum combination of executive and non executive Directors. The Board of Directors of the company is comprised of five directors of whom one is executive director and four are non executive independent directors.

Directors	Executive / Non-Executive/ Independent	No. of outside Directorship Held	Outside Committees#	
			As Chairman	As Member
Mr. Sharad Kumar Gupta	Executive Director	1	None	1
Mr. Manoj More	Independent Director	3	None	1
Mr. Shashikant Modi	Independent Director	0	None	None
Mr. Sunil Shivkumar Saini	Independent Director	1	None	None
Mr. Manish Kumar Goyal	Independent Director	1	None	None

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

##### b) Board Procedure

The agenda is prepared in consultations with the Chairman of the board of Directors and the Chairman of the other Committees. The Agenda for the meeting of the Board and its committees, together with the appropriate supporting documents, are circulated well in advance of the meetings.

Matter discussed at board meeting generally related to company's investments and its performance, evaluation and advisability or otherwise their continuity, quarterly results of the company, review of reports of the audit committee and compliance with their recommendations, suggestions, new investments proposals, non compliance of any regulatory, statutory or listing requirements.

### C) Attendances of Directors at meetings

Attendance of Directors in meetings held during the financial year 2009-2010.

S. N.	Nature & Date of meetings	Name of Directors					
		Kamal* Kumar Chaudhary	Sharad Kumar Gupta	Manoj More	Shashikant Modi	Sunil Shivkumar Saini	Manish Goyal
1.	Board on 30.06.2009	Present	Present	Present	Present	Present	Present
2.	Board on 31.07.2009	N.A.	Present	Present	Present	Present	Present
3.	Members on 30.09.2009	N.A.	Present	Present	Present	Present	Present
4.	Board on 31.10.2009	N.A.	Present	Present	Present	Absent	Present
5.	Board on 30.01.2010	N.A.	Present	Present	Absent	Present	Present

\* Resigned with effect from 30-06-2009.

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 31.03.2010, four Committee Meetings were held on 25th June, 2009, 28th July, 2009, 27th October, 2009 & 28th January, 2010. The composition of the Audit Committee and the attendance of each Director at their meetings are as follows :-

S.N.	Members	Meetings attended
1	Mr. Sharad Kumar Gupta	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

#### (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. V. P. Agrawal & Co.