



Ken Financial Services Limited

18Th Annual Report
2011-2012

NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the Members of M/s Ken Financial Services Limited will be held at Registered Office of the Company at Sai Darshan, Plot No. 97, Daulat Nagar, Road No. 8, Borivali (East), Mumbai – 400 066 on 28th September 2012, at 11.00 A.M. to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and Statement of Profit and Loss 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. Ronak Salecha, who retires by rotation and being eligible, offers him-self for re-appointment.
3. To appoint a director in place of Mr. Dinesh Dhokar, who retires by rotation and being eligible, offers him-self for re-appointment.
4. 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 and 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.

5. To do any other business with permission of their chair.

Registered Office:
Sai Darshan, Plot No. 97,
Daulat Nagar, Road No. 8,
Borivali (East),
Mumbai – 400 066

By order of the Board of Directors

Sd/-

Place: Mumbai
Date: 03/09/2012

DIRECTOR

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 Wednesday, the 20th September 2012 to Friday the 28th September 2012 (both Days inclusive) in connection with ensuing Annual General Meeting.
3. 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.
4. 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.
5. Members are requested to intimate immediately, any change in their address to Company's Registrar & Share Transfer Agency, 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. Members are requested to bring their copies of Annual Reports to the Meeting.
7. 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.
8. 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.
9. Documents referred to in the accompanying Notice are available for inspection at the registered office of the company on working days between 11.00 A.M. to 2.00 P.M. prior to the Annual General Meeting.

10. 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 least 10 days before the date of meeting.

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Borivali (East),
Mumbai – 400 066

By order of the Board of Directors

Sd/-

Place: Mumbai
Date: 03/09/2012

DIRECTOR

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

Additional information of Directors seeking reappointed at the Annual General Meeting

Name	Mr. Dinesh S Dhokar	Mr. Ronak H Salecha
Date Of Birth	16.07.1968	07.07.1992
Qualification	Graduate	Matriculation
Experience	He possesses more than five years of experience in the financial field.	He possesses one year of experience in the industry.
Shareholding	NIL	NIL

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the 18th Annual Report and the Audited Statements of Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS:

Particular	Year ended 31 st March, 2012 Rupees	Year ended 31 st March, 2011 Rupees
Total Income / (Loss) From Operation	(6,80,691)	99,08,569
Less: Expenses	3,33,509	87,71,303
Profit / (Loss) before Depreciation	(10,14,200)	11,37,266
Less: Depreciation	3,25,849	2,74,309
Profit / (Loss) before Tax	(13,40,049)	8,62,957
Less: Provision for Taxation	NIL	3,71,100
Provision for Deferred Tax	59,613	56,478
Profit / (Loss) after Tax	(13,99,662)	4,35,379

DIVIDEND:

To deploy the resources in the more meaningful manner, your directors abstain from declaring any dividend for the year.

MANAGEMENT DISCUSSION AND ANALYSIS:

Company's Financial Review

During the year under review, the company has suffered loss from operation of the Company is Rs. 6.80 Lakh as compared to Rs. 99.09 Lakh income earned during the previous year. Due to fluctuating market condition the Company suffered loss, however the Directors are hopeful of even better performance in the future.

Industry Structure and Development

The global economic conditions remained subdued during the previous year. There was volatile movement of prices in the commodity market. However, increased liquidity in the developed economies is impacting sentiments and boosting consumption as well as investment. The situation is improving and we are hoping for good investment environment in the country. The company is trying to keep up with the pace of growth of the Indian market. The company is building various earning platform for the forthcoming year to come out with flying colour.

Resources & Liquidity

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

Risk, Internal Control System and Adequacy

The company has adequate internal control procedure commensurate with its size and nature of the business. The internal control system is supplemented by extensive internal audits, regular reviews by the management and well documented policies and guidelines to ensure the reliability of financial and all other records to prepare financial statements. The company continuously upgrades these systems in line with best accounting practices. The company is benefited from having a team of professionals as promoter and independent directors, who are capable of exercising various checks and control effectively.

Environment, Health and Safety

Environment, Health and Safety (EHS) is one of the primary values of your company. Your company's EHS policy is to consider compliance to statutory EHS requirements as the minimum performance standard and is committed to go beyond and adopt stricter standards wherever appropriate. Your company also gives priority and attention to the health and safety of its employees and trains all the employees to work as per prescribed procedures designated to meet all EHS requirements.

Human Resource Development

Human Resource is one of the key assets that has been nurtured and encouraged for active participation in company's growth. The company has well defined appraisal system in place for recognition of talented and deserving employees, whose includes line and staff function personal. The industrial relations remained cordial during the year. The company has never faced any staff unrest or any discomfort in relations with its staff due to the professional approach of the management towards this factor.

DEPOSITS:

The company has not accepted any fixed deposit from the public within the meaning of Section 58A of Companies Act, 1956 and the rules made there under.

DIRECTORATE:

In Accordance with Articles of Associations of the Company Mr. Ronak Salecha and Mr. Dinesh Dhokar, Directors of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment.

Mr. Manish Kumar Goyal and Mr. Shashikant Modi retired as a Director on July 16, 2011 the Board wishes to place on record its appreciation for his valuable contribution during his association with the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

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

- i) in the preparation of the annual accounts for the year ended March 31, 2012, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956 have been followed and no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company as at March 31, 2012 and of the loss of the Company for the year ended on that date;
- iii) the Directors have 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; and
- iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

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

The companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 requires disclosures of particulars regarding conservation of energy in form A and Technology Absorption in form B. The Company has not carried out any manufacturing activity, therefore form A and B are not applicable to the Company.

PARTICULARS OF EMPLOYEES:

As there were no employees drawing remuneration more than the limit prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the employees) Rules 1975, as amended from time to time, statement under section 217(2A) is not annexed.

CORPORATE GOVERNANCE:

In terms of clause 49 of the Listing Agreement with the Stock Exchanges a report on the corporate Governance is appended as annexure to this report.

AUDITORS:

M/s Motilal & Associates, Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting and being eligible is appointed for the next year.

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 : 03-09-2012

Sd/-

DIRECTOR

KEN FINANCIAL SERVICES LIMITED

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your company's philosophy of Corporate Governance has evolved from its continued faith in fundamentals of fairness, accountability, disclosures and transparency. The Company believes that Corporate Governance is a pre-requisite for attaining sustainable growth in this competitive corporate world.

The governance practices followed by your company have played a vital role in its journey of continued success. All the procedures, policies and practices followed by your company are based on sound governance principles. Comprehensive disclosures, structured accountability in exercise of powers and commitment in compliance with regulations and statutes in letter as well as spirit have enabled your company to enhance shareholder value.

Your Company has complied with all regulation stipulated by the Clause 49 of the Listing Agreement. The Company's policies and practices cover most of the elements of the corporate governance voluntary guidelines, 2009 issued by the Ministry of Corporate Affairs.

2. BOARD OF DIRECTORS

(i) Composition of Board, Directorships and Committees position held in other Companies as at 31st March 2012.

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 six directors of whom one is executive director and four are non executive independent directors and one non executive director.

Directors	Executive / Non-Executive/ Independent	No. of outside Directorship Held	Outside Committees#	
			As Chairman	As member
Mr. Pramod Kumar Sharma	Executive Director	1	None	1
Mr. Rushikesh Narlawar	Non Executive Director	1	None	1
Mr. Manoj More	Independent Director	8	None	1
Mr. Dinesh Dhokar	Independent Director	0	None	None
Mr. Sunil Shivkumar Saini	Independent Director	1	None	None
Mr. Ronak Salecha	Independent Director	0	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

5 Board Meetings were held at Mumbai during the year under review. The Board Meetings were held on 31st May, 2011, 30th July, 2011, 31st October, 2011 and 13th February, 2012. The maximum gap between two Board Meetings did not exceed the prescribed time in clause 49 of the Listing Agreement. The details of composition and category of directors, their Attendance at Board Meeting/ Annual General Meeting, other positions in Board/Committee of the Board are as under:

Name of Directors	No. of Board Meeting attended in F.Y. 2011-2012	Attendance AGM
Mr. Pramod Kumar Sharma	5	Yes
Mr. Rushikesh Narlawar	4	Yes
Mr. Manoj More	5	Yes
Mr. Dinesh Dhokar	4	Yes
Mr. Sunil Shivkumar Saini	5	Yes
Mr. Ronak Salecha	4	Yes
Mr. Shashikant Modi	2	No
Mr. Manish Goyal	2	No

None of the Directors are nominee of any Institutions

The Board of Directors meets atleast once in a quarter to review the quarterly financial results and operation of the company. In addition to the above, the Board also meets as and when necessary to address specific issue relating to the business.

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 31.03.2012, four Committee Meetings were held on 25th May, 2011, 28th