



KLK

KLK ELECTRICAL LIMITED

31st Annual Report

2011-12



BOARD OF DIRECTORS

Shri.V.Lavakumar Chairman & Managing Director
Shri.Rajendra V.Naniwadekar Director
Shri.Brijmohan Mandala Director

Auditors M/s.N.Subramanian
Chartered Accountant,
81, Greems Road, Chennai-6.

Registered & Admin. Office Old No.2, New No.3, 1st Main Road
Seethammal Colony Extension,
Teynampet
Chennai 600 018.

Share Transfer Agency M/s.Cameo Corporate Services Ltd.,
'Subramanian Building'
No.1, Club House Road,
Chennai 600 002.

Listing Stock Exchanges a)Bombay Stock Exchange Ltd
P.J.Towers, Dalal Street,
Mumbai-400 001.

b)Madras Stock Exchange Ltd.,
Exchange Building,
11, Second Line Beach,
Chennai 600 001.

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the members KLK ELECTRICAL LIMITED will be held on Thursday the 29th of November 2012 at 11.00 A.M.at the registered office of the Company at old No.2 New No.3 1st Main Road Seethammal Colony Extension Chennai 600 018 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012 and Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of **Shri. V.Lavakumar**, who retires by rotation on that date and has indicated his inability to continue.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors.

"RESOLVED THAT pursuant to the provisions of section 225 (1) and other applicable provisions, if any, of the Companies Act, 1956 M/s Chitta & Associates, Chartered Accountants, 304, Divya Sai Chambers, Chanda Nagar, Hyderabad-500 050 be and are hereby appointed as the Statutory Auditor of the Company in the place of retiring auditor, Mr.N.Subramanian, Chartered Accountant, Chennai to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting, to Audit the Annual Accounts of the Company for the financial year ending 31.03.2013 on a remuneration to be fixed by the board of directors in consultation with the proposed appointee.

SPECIAL BUSINESS:

4. To Consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. RAJENDRA VITHAL NANIWADEKAR, who was appointed by the Board of Directors of the company as Additional director on 19.10.2011 to hold office as such upto the conclusion of the ensuing annual general meeting and in respect of whom the company has

received a notice in writing from a member signifying his intention to propose the candidature of Mr. RAJENDRA VITHAL NANIWADEKAR, for the office of director, as required by section 257 of the Companies Act, 1956 be and is hereby appointed a director of the company, liable to retire by rotation."

"RESOLVED further that the Board of Directors be and is hereby authorized to take all such steps as may be necessary for the purpose of giving effect to this resolution and matters incidental thereto."

5. To Consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. BRIJMOHAN MANDALA, who was appointed by the Board of Directors of the company as Additional director on 19.10.2011 to hold office as such upto the conclusion of the ensuing annual general meeting and in respect of whom the company has received a notice in writing from a member signifying his intention to propose the candidature of Mr. BRIJ MOHAN MANDALA, for the office of director, as required by section 257 of the Companies Act, 1956 be and is hereby appointed a director of the company, liable to retire by rotation."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take such steps as it may consider necessary or expedient to give effect to this Resolution."

6. To Consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 257 and all other applicable provisions, if any of the companies Act, 1956, Mr. DATTATRAY PATIL, be and is hereby appointed a director of the company, liable to retire by rotation."

"RESOLVED further that the Board of Directors be and is hereby authorized to take all such steps as may be necessary for the purpose of giving effect to this resolution and matters incidental thereto."

7. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of section 257 and all other applicable provisions, if any of the companies Act, 1956, Mr. R.RAVI KUMAR RAO, be and is hereby appointed a director of the company, liable to retire by rotation."

"RESOLVED further that the Board of Directors be and is hereby authorized to take all such steps as may be necessary for the purpose of giving effect to this resolution and matters incidental thereto."

- 8.To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of section 257 and all other applicable provisions, if any of the companies Act, 1956, Mr. G.RAGHAVULU, be and is hereby appointed a director of the company, liable to retire by rotation."

FURTHER RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ("Act") or any re-enactment thereof and subject to the approval of other Statutory authorities if any as may be required, Mr. R.RAVIKUMAR RAO be and is hereby appointed as the Whole Time Director of the company for a period of Five years with effect from 1.12.2012 on a remuneration of not exceeding a sum of Rs.50000 per month (including all allowances and perquisites), as may be approved by the Remuneration Committee and the Board of directors at their meetings.

Resolved further that in case of the company not attaining adequate profits or the profits are inadequate to make the payment of remuneration as above, the Board of Directors do accept to vary the terms of remuneration and perquisites with the liberty to revise the remuneration payable to Mr. R.RAVI KUMAR RAO, Executive Director in accordance with Section II of Part II of Schedule XIII to the Companies Act, 1956.

Resolved further that the Board of Directors and / or a Committee of the Board fix his salary within the scale from time to time, increasing thereby proportionately value of the benefits relating to the salary, and, with the liberty to the Board of Directors and /or a Committee of Board to alter and vary the terms and conditions of appointment and /or agreement in such manner as may be agreed to by and between the Board of Directors and the appointee within the applicable provision of the Companies Act, 1956.

"RESOLVED FURTHER THAT the information provided above and in the explanatory statement shall be treated as an Abstract under section 302 of the companies Act 1956"

Resolved further that the Board of Directors and the Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its power herein conferred to any committee of directors or director(s).

FURTHER RESOLVED THAT the Board of Directors be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its power herein conferred to any committee of directors or director(s).

By order of the Board

For KLK Electrical Ltd.
(Sd/-) V.Lavakumar
Chairman

Place : Chennai
Date : 03-11- 2012

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 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 forty eight hours before the commencement of the meeting. Form of proxy is enclosed.
2. The Explanatory Statement pursuant to section 173 of the Companies Act, 1956 is given below and forms part of the Notice.
3. Since the Company is yet to declare any dividend, disclosure regarding status of unclaimed dividend under section 205A of the Companies Act, 1956 does not arise.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 28th November, 2012 to 29th November, 2012 (both days inclusive) in connection with the Annual General Meeting.
5. Shareholders are requested to bring their copy of Annual Report to the meeting.
6. Members/ Proxies should bring the attendance slips filled in for attending the meeting.
7. Members are requested to notify immediately any change in their address (with Pin-Code), if any, quoting their registered folio numbers to the Registrar and Transfer Agent M/s. Cameo Corporate Services Limited, "Subramanian Building", 1, Club House Road, Chennai - 600 002.
8. Members seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.

9. Members are requested to quote their folio number and name in all correspondence with the Company.

10. Corporate members intending to send their authorised representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 4:

Mr. RAJENDRA VITHAL NANIWADEKAR, was appointed by the Board of Directors of the company as Additional director on 19.10.2011 to hold office as such upto the conclusion of the ensuing annual general meeting. The company has received a notice in writing from a member proposing his appointment. Hence the above resolution is recommended for the approval of the members. None of the Directors of the Company are interested or concerned in the Resolution except Mr.Rajendra Naniwadekar.

ITEM NO. 5:

Mr. Brij Mohan Mandala, was appointed by the Board of Directors of the company as Additional director on 19.10.2011 to hold office as such upto the conclusion of the ensuing annual general meeting. The company has received a notice in writing from a member proposing his appointment. Hence the above resolution is recommended for the approval of the members. None of the Directors of the Company are interested or concerned in the Resolution except Mr.Brij Mohan Mandala.

ITEM NO. 6:

The company has received a notice in writing from a member proposing the name of Mr.Dattaray Patil for appointment as a Director of the Company liable to retire by rotation. Hence the above resolution is recommended for the approval of the members. None of the Directors of the Company are interested or concerned in the Resolution except Mr. Dattaray Patil

ITEM NO. 7:

The company has received a notice in writing from a member proposing the name of Mr.R.Ravi Kumar Rao for appointment as a Director of the Company liable to retire by rotation. Hence the above resolution is recommended for the approval of the members. None of the Directors of the Company are interested or concerned in the Resolution except Mr. R.Ravi Kumar Rao.

ITEM NO. 8:

The company has received a notice in writing from a member proposing the name of Mr.G.Raghavulu for appointment as a Director of the Company liable to retire by rotation.

Hence the above resolution is recommended for the approval of the members.

None of the Directors of the Company are interested or concerned in the Resolution except Mr.G.Raghavulu .

By order of the Board,

Place : Chennai
Date : 03-11-2012

for KLK Electrical Ltd.
(V. Lavakumar)
Chairman

DIRECTOR'S REPORT TO THE MEMBERS

Dear Members,

Your Directors have pleasure in presenting the 31st Annual Report of the Company with audited accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS.

Particulars	31.03.2012 (Rs. In Lakhs)	31.03.2011 (Rs. In Lakhs)
Sales	34.95	24.09
Other Income	Nil	Nil
Profit/ (Loss) Before Dep. & Tax	(18.81)	(9.71)
Depreciation	Nil	0.25
Profit/ (Loss) After depreciation	(18.81)	(9.96)
Provision for Taxation	Nil	Nil
Profit/(Loss) after tax	(18.81)	(9.96)
Add: Balance of Loss B/F	(76.86)	(66.90)
(Loss) Balance C/F to next year	(95.67)	(76.86)

OPERATIONS:

The Company achieved turnover of Rs.34.95 Lakhs (Previous Year Rs. 25.28 Lakhs). During the year 2011-12, the Company had allotted 14,00,000 equity shares of the company on preferential basis to public at a premium Your Directors are hopeful that the activities of the Company would improve during the Current financial year.

DEPOSITS:

The Company has not invited / received any fixed deposits during the year under review as per section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

DIVIDEND:

Your directors have not recommended any dividend for the financial year ended 31st March, 2012 to the members due to Loss.

DIRECTORS:

On October 31, 2011, Mr. Brijmohan Mandala and Mr. Rajendra V. Naniwadekar were appointed as additional directors of the company and they hold office till the ensuing annual general meeting of the company. Both Mr. Brij Mohan Mandala and Mr. Rajendra V.Naniwadekar are eligible for appointment as directors of the of the company. On 14-08-12 Mr. J.M. Menezes resigned as a director of the of the company. On 03-11-12, Mr. John Thangasamy resigned as a director of the of the company. The Board placed on the record the valuable services rendered by Mr. J.M. Menezes and Mr. John Thangasamy during their tenure as directors of the company. Mr. V.Lavakumar retires by rotation at the end of this AGM and has expressed his inability to continue. The Board places on record its appreciation for the valuable services rendered by Mr.Lavakumar.

AUDITORS:

M/s. N. SUBRAMANIAN, Chartered Accountants, Chennai retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and has expressed his inability to continue. Hence it is proposed that M/s.Chitta Associates,Chartered Accountants be appointed as the auditor's of the company until the conclusion of the next AGM.

AUDITORS REPORT:

The observations made by the auditors in their report and notes to the accounts are self-explanatory.

LISTING STATUS:

The Company's Shares are listed both in Madras and Bombay Stock Exchanges at present. Listing fees have been paid for the financial year.

CORPORATE GOVERNANCE:

Pursuant to the circular of Securities and Exchange Board of India, the Stock Exchanges have incorporated a Clause 49 in the Listing Agreement on Corporate Governance with regard to the composition of Board of Directors, Audit Committee, Remuneration of Directors, Board meeting procedures, Management, discussions and analysis about the business, redressal of shareholders' grievances and their services. According to the schedule of implementation forwarded by these Stock Exchanges, the Companies whose paid-up capital is Rs.3 Crores and above is advised to comply with the Clause 49 of the Listing Agreement. Since the capital of your Company is less than Rs.3 Crores, compliance of the Clause 49 of the Listing Agreement does not arise.

INFORMATION UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES AND FORMING PART OF DIRECTORS REPORT.

1). CONSERVATION OF ENERGY:

The company has no activity relating to Conservation of Energy, during the year.

2). TECHNOLOGY ABSORPTION:

The Company has entered into Technical collaboration with M/s. Elin Union, Austria.

- Technology imported: Load Break Switch and off load isolators.
- Year of Import: Agreement 1984 extended for a further period of six years from 1999.
- Has the technology been fully absorbed: Yes

3). FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company did not have any foreign exchange or outgo during the year.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of provisions of Section 217(2AA) of the Companies Act, 1956 the Directors confirm.

- That in the preparation of the Annual accounts, for the financial year ended 31st March, 2010 the applicable accounting standards had been followed along with proper explanations relating to material departures.
- That the Directors had selected such accounting policies and applied them consistently and made judgements 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 of the Company for that period.
- That 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; and