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KLK ELECTRICAL LIMITED

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For K.L.K. ELECTRICAL LIMITED.

M. W. W.
Managing Director,

28th Annual Report
2008-09



BOARD OF DIRECTORS

Shri.V.Lavakumar Chairman & Managing Director
Shri.J.M.Menezes Director
Shri.John.B.Thangasamy Director

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

Registered & Admin. Office 64 (New No.) 8th Cross Street,
West Shenoy Nagar,
Chennai 600 030.

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

Listing on 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.

NOTICES

Notice is hereby given that 28th Annual General Meeting of KLK ELECTRICAL LIMITED will be held at the Registered Office on Friday, the 25th Day of September 2009 at 3.00 p.m. to transact the following business:

Ordinary Business

1. To receive and adopt the Profit & Loss account for the year ended 31st March 2009 the Balance Sheet as on that date and the Report of the Directors and Auditors thereon.
2. To appoint director in place of Shri.John.B.Thangasamy who retires by rotation, and being eligible, offer himself for re-appointment.
3. To appointment Auditor and to fix their remuneration.

For & on behalf of the Board of Directors,

Place : Chennai

Date : 30th June 2009
Managing Director

(Sd/-) V.Lavakumar
Chairman &

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. A PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September 2009 to 25th September 2009 (both days inclusive).

3. Member / Proxy holder must bring the attendance slip to the meeting and hand it over at the entrance duly signed

DIRECTOR'S REPORT TO THE MEMBERS

The Directors have pleasure in placing before you the Twenty Eighth Annual Report and the Audited accounts for the year ended 31st March 2009.

1. OPERATIONS:

Particulars	31.03.2009 (Rs. In Lakhs)	31.03.2008 (Rs. In Lakhs)
Sales	8.83	43.34
Service Charges	16.99	28.65
Other Income	--	1.77
Profit/ (Loss) Before Dep. & Tax	0.08	0.23
Depreciation	0.37	.09
Profit/ (Loss) After depreciation	(-)0.29	0.14
Provision for Taxation	NIL	NIL
Profit After tax	NIL	0.14
Investment allowance reserve	NIL	NIL
Transferred to General Reserve	NIL	NIL
Provision for dividend	NIL	NIL
(Loss) Balance C/F to next year	(69.02)	(68.74)

2. PERFORMANCE REVIEW:

During the financial year under review the performance of the Company was not so satisfactory. The company was able to do a turnover of Rs.25.81 lakhs only as against the previous year turnover of Rs.73.76 lakhs and incurred a loss of Rs.28,991 as against the previous year profit of Rs.14344.

Your Directors are initiating necessary steps to revive the business of the Company either by merger or amalgamation.

3. DIVIDEND:

The Directors have not recommended any dividend to the members due to loss.

4. PERSONNEL

During the year, there was no employee in respect of whom information as per Section 217(2) of the Companies Act, 1956 is required to be given in the Director's Report.

5. PARTICULARS AS REQUIRED UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

As the company has not carried on any major manufacturing activity during the year under review, there is no matter to report under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure) Rules, 1988 with regard to conservation of energy. There is no foreign exchange earning and out-go.

TECHNICAL ABSORPTION

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

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

6) DEPOSITS:

The company has not accepted any fixed deposits during the year under review.

7) CORPORATE GOVERNANCE :

As the paid up capital of the Company is less than 3 crores reporting on corporate governance does not apply to the company.

8) DIRECTOR

Shri.John.B.Thangasamy, who retires by rotation at the conclusion of this General Meeting have expressed her desire to seek reappointment. Since his knowledge and experience in the Industry will be of help, he is being proposed again for a further term.

9) AUDITORS

The retiring auditor, Mr.N.Subramanian, Chartered Accountant, who retires in the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

10) REPLY TO REMARKS MADE BY THE AUDITORS IN THEIR REPORT:

a) with regard to point IV f (i) (ii) & (iii) of the Auditor's Report we state that

The Directors of your company had taken sincere efforts during the past several years to recover doubtful debts. A part of the said doubtful debts has been written off during the year against the profits earned and the balance will be written off in future years when the company makes profit.

The Company has already made necessary steps for getting confirmation for which the company had not received proper reply. However the company will make its best efforts to get the confirmation in time.

11) RESPONSIBILITY STATEMENT

The Directors confirm:

(i) That in the preparation of final accounts, the applicable accounting standards had been followed:

(ii) That the board of 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 or loss of the company for that period.

(iii) That the board of directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Company Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities:

(iv) That the board of directors have prepared the annual accounts on a going concern basis.

12) ACKNOWLEDGEMENT:

The Directors wish to record their appreciation for the co-operation of the Financial Institutions, Banks, Suppliers and Customers of the Company.

By the order of the Board

Place : Chennai (sd-) **J.M.Menezes** (sd-) **V.Lavakumar**
Date : 30.06.201 Director Chairman &
Managing Director

COMPLIANCE CERTIFICATE

To,

The Members
M/s. KLK Electrical Limited

We have examined the registers, records, books and papers of M/s. **KLK Electrical Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2009**. In our opinion and to the best of our information and according to the examinations carried out by us and information, explanations and declaration furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.

2. The company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, within the time given in the said annexure.

3. The company being a Public Limited Company, the applicability of section 3(1) (iii) does not arise.

4. The Board of Directors duly met **FOUR** times on **24.05.2008, 31.07.2008, 31.10.2008 and 30.01.2009** in respect of which meetings the proceedings were recorded in the Minutes Book maintained for the purpose.

5. The company has closed its Register of Members from **26.09.2008 to 27.09.2008** and has not complied with the provisions of section 154 of the Act.

6. The Annual general meeting for the financial year ended on **31.3.2008** as held on **27.09.2008** after giving notice to the members of the company and the resolutions passed thereat were recorded and signed in Minutes Book maintained for the purpose.

7. The company has not held any extra-ordinary general meeting during the year.

8. As per the information, explanation and declaration furnished by the management, the company has not advanced any loan to its Directors and/or Persons or Firms or Companies referred in the section 295 of the Act during the year under review.

9. As per the information, explanation and declaration furnished by the management, the Company has not entered into contracts specified in section 297 of the Act during the financial year under review.

10. The company has made necessary entries in the register maintained under section 301 of the Act.

11. In the opinion the management, as there was no instance falling within the purview of section 314 of the Companies Act, 1956, the question

of obtaining any approval from the Board of Directors, members, Central Government during the financial year under review does not arise.

12. The Board of Directors has not received any request for issue of duplicate share certificates during the year under review.

13. The Company during the financial year under review had:

(i) Delivered all share certificates on lodgement thereof for transfer of shares in accordance with the provisions of the Act and there was no allotment/transmission of shares during the financial year under review.

(ii) Not declared any dividend/interim dividend during the financial year and hence the question of opening of a separate bank account with in the stipulated period does not arise.

(iii) Not declared any dividend/interim dividend, the question of payment/posting of dividend warrants with in the stipulated time and transfer of unpaid/ unclaimed dividend to "unclaimed dividend account" of the company does not arise.

(iv) No unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which has remained unclaimed or unpaid for more than seven years to be transferred to Investor Education and Protection Fund.

(v) Generally complied with the requirements of section 217 of the Act.

14. The Board of Directors of the company is generally well constituted and no appointment of Director, additional directors, alternate directors and directors to fill casual vacancies were made during the financial year under review.

15. The Company has not appointed/re-appointed any Managing Director/Whole-time Director/Manager during the financial year under review and hence the question of complying with the provisions of section 269 of the Act does not arise.

16. The Company has not appointed any sole-selling agents during the financial year under review.

17. The Company has no transaction, which necessitated the Company to seek any approval from the Central Government, Company Law Board, Regional Director and Registrar of Companies during the financial year under review.

18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.

19. The company has not made any issue of shares / debentures/ other securities during the financial year under review.

20. The company has not bought back any shares during the financial year under review.

21. The company has not issued any Preference Shares/ debentures, hence the question of redeeming any preference shares / debentures does not arise.

22. During the financial year under review the Company has not kept in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.

23. According to the information and explanation given by the management, the company has not accepted any deposits from the public and outsiders except the unsecured loan borrowed from Director which in the opinion of the management are not deposits and hence not complied with the provision of section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975.

24. The amount borrowed by the Company from the director during the financial year is within the borrowing limits of the company as fixed by the resolution passed at the meeting of Board of Directors of the company, since the amount borrowed by the company is within the limits

laid down under section 293(1)(d), compliance with the provisions of section 293(1)(d) of the Act does not arise.

25. According to the information and explanation given by the management, the company has not made any loans/investments, or given guarantees or provided securities to other bodies corporate during the year and consequently no entries has been made in the register kept for the purpose during the financial year under review.

26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the financial year under review.

27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the financial year under review.

28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.

29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.

30. The company has not altered its Articles of Association during the financial year under review.

31. As per the information given by the management, no prosecution has been initiated against the Company nor show cause notices has been received by the company for any alleged offences under the Act and hence the question of fine or penalties does not arise.

32. The company has not received any amount as security from its employees during the financial year under certification and hence the compliance with the provisions of section 417(1) of the Act does not arise.

33. According the information, explanation, declaration given by the management the provisions of Employee Provident fund does not apply to the Company. Hence compliance with the provisions relating to deposit of both employer's contribution to Provident Fund with prescribed authorities pursuant to the provisions of Section 418 of the companies Act, 1956 does not arise.

Place: Chennai

sd/-

Signature:

Date: 30.06.2009 Name of Company Secretary: P.S.Srinivasan
CP.NO : 3122

Registers as maintained by the Company

1. Register of Members u/s 150 of the Companies Act, 1956
2. Register of Directors u/s 303 of the Companies Act, 1956
3. Register of Directors Shareholdings u/s 307 of the Companies Act, 1956
4. Register of Transfers u/s 111A of the Companies Act, 1956 (computerized)
5. Register of Contracts, Companies and Firms in which Directors of the Company are interested u/s 299, 301 and 301(3) of the Companies Act, 1956
6. Minutes of the Annual General Meeting/Extra Ordinary General Meeting & Board Meetings u/s 193 of the Companies Act, 1956.
7. Register charge u/s sec. 125 of the Companies Act 1956

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, during the financial year ending on 31st March, 2009.

Name of the Document	Date of Event	Date of filing	Due Date	Remarks Filed
Form 23AC & ACA Balance Sheet	31.03.2008	26.10.2008	29.10.2008	In time
Form 86 Compliance Certificate	28.09.2007	26.10.2008	28.10.2007	Belatedly
Form 86 Compliance Certificate	27.09.2008	26.10.2008	27.10.2008	In time
Form 20B Annual Return	27.09.2008	13.11.2008	26.11.2008	In time

AUDIT REPORT TO THE MEMBERS OF KLK ELECTRICAL LIMITED

Ladies & Gentlemen,

I. I have audited the attached Balance Sheet of M/s. **KLK ELECTRICAL LIMITED, CHENNAI**, as at March 31, 2009 and also the Profit and Loss Account and Cash flow Statement for the year ended on that date annexed thereto all of which I have signed under reference to this report. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.

II. I conducted my audit in accordance with the auditing statement standards generally accepted in India. Those Standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

III. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, I give below, a statement on the matters specified in paragraph 4 & 5 of the said Order.

1. The Company has maintained proper records showing full particulars including quantitative details and the situation of its fixed assets. It is reported that the assets have been physically verified by the management during the year and there is a regular program of verification of the fixed assets. In my opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its business and no material discrepancies were noticed on such verification. The company has not sold/disposed off any major items of the fixed assets during the year.

2. (a) During the year the management verified physically the inventory at the year end and the frequency of physical verification is commensurate with the size of the company and nature of its business.

(b) On the basis of my examination of the records of inventory, I am of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of account.

3. (a) The company had not granted any loan, secured or unsecured, to other companies, firms or persons covered in the register maintained under section 301 of the Companies Act, 1956.

(b) The company had taken unsecured loan from one party listed in the register maintained u/s.301 of the Act. The maximum amount due during the year was Rs.1,437,408/- and the balance outstanding as at the end of the financial year is Rs.1,437,408/-

(c) No interest is payable on such loan taken from him and the other terms and conditions with regard to repayment are, in my opinion prima facie, not prejudicial to the interest of the Company.

4. In my opinion and according to the information and explanation given to the information and explanation given to me, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory and with regard to the sale of goods. During the course of my audit, no major weakness has been noticed in the internal controls.

5. Based on the audit procedures applied by me and according to the information and explanations provided by the management, I am of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.

6. In my opinion and according to the information and explanations given to me, that there are no transactions made in pursuance of contracts or arrangements, entered in the registers maintained under section 301 and exceeding the value of 5 Lakh rupees during the year.

7. In my opinion and according to the information and explanations given to me, the company has not accepted deposits from public under sections 58A and 58AA of the Companies Act, 1956 during the year.

8. The company has an internal audit system during the year commensurate with the size of the company and nature of its business.

9. In my opinion and according to the information and explanations given to me, the Central Government has not prescribed any rules under clause (d) of sub-section (1) of Section 209 of the Act for the maintenance of cost records in respect of the products dealt with by the company.

10. (a) According to the records of the company, the company is yet to remit the undisputed income tax arrears of Rs.566,607/- relating to the asst. years 1984 – 85 to 1989 – 90, which is outstanding as at March 31, 2009 for a period of more than six months from the date they become payable.

(b) According to the records of the company, there are no dues of sale tax, income tax, customs tax or wealth tax, excise duty / cess which have not been deposited on account of any dispute.

11. The company has not incurred any cash losses during the financial year covered by my audit as well as in the immediately preceding financial year. The accumulated loss has exceeded 50% of the net worth of the company.

12. Based on my audit procedures and on the information and explanations given by the management, I am of the opinion that the company has not defaulted in repayment of dues to a bank. The company does not have any debenture holders.

13. Based on my examination of documents and records, I am of the opinion that the company has not granted during the year any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.

14. Based on my examination of documents and records, I am of the opinion the company is not carrying on any activity relating to chit fund, nidhi, mutual benefit fund/society, no special statute is applicable to the company.

15. Based on my examination of the records and evaluation of the related internal controls, I am of the opinion that the company is not dealing or trading in shares, securities, debentures and other investments and hence the question of maintenance of adequate records relating to the same does not arise.

16. The company has not given any guarantee for loans taken by others from bank or financial institutions.

17. The company has not raised any term loans during the year and hence the application of the funds for the purpose for which they were raised does not arise.

18. According to the information and explanations given to me and on an overall examination of the balance sheet of the company, I report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets.

19. Based on my examination of records and the information provided to me by the management, I report that the company has not made any preferential allotment of shares to parties covered in the register maintained under section 301 of the Act.

20. During the period covered by my audit report, the company had not issued any debentures and hence the question of creation of any security in the respect of these debentures does not arise.

21. The company had not raised any money through public issues during the year under audit.

22. Based upon the audit procedures performed and information and explanations given by the management, I report that no fraud on or by the company has been noticed or reported during the course of my audit.

IV. Further to my comments in Para III above, I report that:

a) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of my audit;

b) In my opinion, proper books of account as required by law have been kept by the company so far as appears from my examination of those books.

c) The Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account.

d) In my opinion, the balance sheet and the profit and loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

e) On the basis of written representation received from the Directors as on 31st March, 2009 and taken on record by the Board of Directors, I report that none of the Director is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of Section 274 of the Companies Act, 1956;

f) In my opinion and to the best of my information and according to the explanations given to me, the said accounts give the information required by the Companies Act, 1956, in the manner so required and subject to:

i) **Non-provision of doubtful debts amounting to Rs.1,361,613/- being price variation claims lodged in earlier years, which in my opinion is not recoverable. Had the provision been made, the loss for the year would have been higher by the same amount.**

ii) **Note No. 6 regarding non-receipt of confirmation of balances in respect of Sundry Debtors and the consequential effect, if any, on the financial statements.**

iii) **The cumulative effect of the above said points, for which impact is unascertainable, will result in understatement of the loss amounting to Rs.1,361,613/- give a true and fair view:**

1. In the case of Balance Sheet of the State of Affairs of the Company as at March 31, 2009;

2. In the case of the profit and loss account, of the Profit for the year ended on that date; and

3. In the case of the Cash Flow Statement for the year ended on that date.

Sd/-

N.SUBRAMANIAN
Chartered Accountant

Date 30.06.2009

Membership Number: 21628

KLK ELECTRICAL LIMITED					
Old No. 32 (New No.64), Eighth Cross Street, West Shenoy Nagar, Chennai 600 030					
BALANCE SHEET AS AT MARCH 31, 2009					
SOURCES OF FUNDS	Schedule No.	Rs.	As at 31.03.2009 Rs.	Rs.	As at 31.03.2009 Rs.
SHAREHOLDERS' FUNDS					
Share Capital	1	12,500,000	12,500,000	12,500,000	12,500,000
Reserves & Surplus	2	13,500	12,513,500	13,500	12,513,500
LOAN FUNDS					
Unsecured Loans	3	1,437,408	1,437,408	1,437,408	1,437,408
TOTAL			13,950,908		13,950,908
APPLICATION OF FUNDS					
Fixed Assets less Depreciation					
Fixed Assets	4		5,733,436		5,770,131
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	5	30,470		30,470	
Sundry Debtors	6	5,343,756		7,386,874	
Cash on Hand & at Banks	7	21,603		42,095	
Loans & Advances	8	437,943		437,943	
Sub-Total - A		5,833,771		7,897,382	
Less: CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	9a	3,952,360		6,023,874	
Provisions	9b	566,607		566,607	
Sub-Total - B		4,518,967		6,590,481	
Net Current Assets/(A - B)			1,314,804		1,307,101
PROFIT & LOSS ACCOUNT - LOSS			6,902,668		6,873,676
TOTAL			13,950,908		13,950,908
Notes on Accounts	11				As per my report of even date attached
June 30, 2009 Chennai	Chairman & Managing Director		Director		N.SUBRAMANIAN Chartered Accountant

KLK ELECTRICAL LIMITED					
Old No. 32 (New No.64), Eighth Cross Street, West Shenoy Nagar, Chennai 600 030					
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2009					
INCOME	Schedule No.	Year ended 31.03.2009 Rs.	Year ended 31.03.2008 Rs.		
Sale of Computer Softwares		882,799	4,333,790		
Service Charges		1,698,635	2,864,948		
Other Income		-	177,372		
Total		2,581,434	7,376,110		
EXPENDITURE					
Consumption of Materials		1,709,965	4,207,597		
Sales & Purchase Returns (Net)		158,614	-		
Labour Charges		-	1,605,000		
Administrative Expenses	10	705,152	1,540,509		
Depreciation	4	36,695	8,660		
Total		2,610,425	7,361,765		
Net Profit/(Loss) for the year		(28,991)	14,344		
Less: Provision for Current Taxation/ FBT Fringe Benefit Tax		-	-		
Net Profit/(Loss) After Tax		(28,991)	14,344		
Add/(Less): Balance Loss b/f from previous year		(6,873,676)	(6,888,021)		
Balance Loss Carried to Balance Sheet		(6,902,668)	(6,873,676)		
Earnings Per share		(0.02)	0.01		
Notes on Accounts	11				As per my report of even date attached
June 30, 2009 Chennai	Chairman & Managing Director		Director		N.Subramanian Chartered Accountant

KLK ELECTRICAL LIMITED

Old No. 32 (New No.64), Eighth Cross Street, West Shenoy Nagar, Chennai 600 030

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

Schedules to Balance Sheet as at March 31, 2009

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
1. SHARE CAPITAL		
Authorised Capital 2,000,000 Equity Shares of Rs.10/- each	20,000,000	20,000,000
Issued and Subscribed Capital 1,250,000 Equity Shares of Rs.10/- each fully paid-up for cash at par	12,500,000	12,500,000
2. RESERVES & SURPLUS		
Capital Reserve	13,500.00	13,500.00
	13,500.00	13,500.00
3. UN-SECURED LOANS		
From Directors & their relatives	1,437,407.85	1,437,407.85
	1,437,407.85	1,437,407.85
5. INVENTORIES (At cost or market value which ever is lower - certified by Management)		
Raw Materials	30,469.73	30,469.73
Total	30,469.73	30,469.73
6. SUNDRY DEBTORS (Unsecured - Considered good)		
Debts outstanding for more than 6 months	5,343,756.15	7,386,874.23
Other debts	5,343,756.15	7,386,874.23
7. CASH & BANK BALANCES		
Cash on hand	2,132.35	553.35
Balances with Scheduled Banks In current accounts	19,470.18	41,541.58
	21,602.53	42,094.93
8. LOANS & ADVANCES (Unsecured - Considered good)		
Tax Deducted at Source	236,943.00	236,943.00
Other Advances	1,000.00	1,000.00
Rent Advance	200,000.00	200,000.00
	437,943.00	437,943.00
9. CURRENT LIABILITIES & PROVISIONS		
a. CURRENT LIABILITIES		
Sundry Creditors - For Expenses	1,922,511.20	63,813.20
Sundry Creditors - For Trade	2,027,434.00	5,936,996.00
VAT Tax Payable	0.19	5,048.10
TDS Payable	2,415.00	17,817.00
	3,952,360.39	6,023,674.30
b. PROVISIONS		
Provision for Income Tax	566,607.00	566,607.00
	566,607.00	566,607.00
10. ADMINISTRATIVE EXPENSES		
Directors' Sitting Fees	1,000.00	7,033.00
Office Rent	-	80,000.00
Legal & Consultancy Charges	45,067.00	88,129.00
Travelling & Conveyance - Managing Director	-	200.00
Registration & Relisting Fees	74,984.84	48,948.00
Postage & Telephone Charges	1,889.00	3,130.00
Printing & Stationery	1,417.00	30,024.15
Board Meeting Expenses	587.00	1,485.00
Web Site Designing Charges	1,409.11	-
Office Maintenance	13,360.00	4,000.00
Advertisement Charges	10,800.00	19,568.00
Miscellaneous Expenses	-	100.00
Auditor's Remuneration for Statutory Audit	20,000.00	41,854.00
for Taxation	2,060.00	3,090.00
Bad Debts Written off	531,171.68	1,210,125.38
Bank Charges	1,406.45	2,822.46
	705,152.08	1,540,508.99

	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	(28,991)	
Add: Depreciation	36,695	
Non - Cash Expenses		
Operating Profit before working capital changes	7,703	
Adjustments for:		
Trade & Other Receivables	2,043,118	
Loans & Advances		
Trade Payable & Other Liabilities	(2,071,314)	
Cash generated from Operations	(28,196)	
NET CASH FLOW FROM OPERATING ACTIVITIES		(20,492)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets		
NET CASH FLOW FROM INVESTING ACTIVITIES		
C. CASH FLOW FROM FINANCING ACTIVITIES		
Secured Loans		
Unsecured Loans		
NET CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH INFLOW		(20,492)
Opening Balance of Cash and cash equivalents	42,095	
Closing Balance of cash and cash equivalents	21,603	
NET (INCREASE)/DECREASE IN CASH & CASH EQUIVALENTS		20,492

30.06.2009
Chennai

V. LAVAKUMAR
Managing Director

AUDITOR'S CERTIFICATE

The above cash flow statement has been compiled from and is based on the audited accounts of KLK Electrical Limited, for the year ended March 31, 2009 reported upon by me on 30.06.2009. According to the information and explanations given, the aforesaid Cash Flow Statement has been prepared pursuant to Clause 32 of the listing agreement with Stock Exchange and the reallocations required for the purposes are as made by the company.

30.06.2009
Chennai

N.SUBRAMANIAN
Chartered Accountant

SCHEDULE-11: NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2009

A. ACCOUNTING CONCEPTS:

The Company follows mercantile system of accounting and recognizes income and expenses on accrual basis. Accounting policies not specifically referred to are consistent with Generally Accepted Accounting Principles followed by the Company.

B. ACCOUNTING POLICIES

a. REVENUE RECOGNITION

All expenses and income are accounted for on mercantile basis except accounting of relief, incentives and concessions, which are accounted for as and when the amounts finally receivable against these are ascertained.

b. FIXED ASSETS

Fixed Assets are stated at cost including taxes, freight and other incidental expenses incurred in relation to acquisition and installation of the same.

c. DEPRECIATION

Depreciation on all fixed assets have been provided on Written down value Method on pro-rata basis with respect to the month of additions of respective assets at the rates specified in Schedules XIII to the companies Act, 1956.

d. INVENTORIES

Raw Materials, Bought out components, consumable stores and Spares are valued at cost.

e. RETIREMENT BENEFITS

As there are no employees in the Company during the year, no provision for gratuity /provident fund has been made in the books of accounts.

f. TAXATION

Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the prudence, of timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more periods. The Company also recognizes the fringe benefit tax in the accounts as per the provisions of the Income tax Act, 1961.

g. CONTINGENT LIABILITIES

All liabilities have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated value in the Notes on accounts.

C. NOTES ON ACCOUNTS

1. Contingent Liabilities: Nil (Previous Year: Nil)
2. During the year 1995 – 96 the Company re-issued 2,700 Equity shares, which were earlier forfeited. After re-issue of shares an amount of Rs.13,500/- has been transferred from Share Forfeiture Account of Capital Reserve Account.
3. The Company has entered into a Foreign Collaboration Agreement with M/s. Elin Union, Austria, for the transfer of Technical Know-how for the manufacture of Isolators and Load Back Switches for which two instalments of the technical know-how fees has been paid. The company has received the technical know-how and the relevant drawings and specifications for the payments made.
4. Advance for capital expenditure represents the technical know-how fees paid to the foreign collaborator, restated at the exchange rate as on 31.03.2003 to represent the ruling market price at that point of time. No further revaluation was considered necessary during the current year. The amount spent for acquiring the technical know-how including all pre-operative expenses incurred for the same has been capitalized as on March 31, 2008 as the company is exploring the possibility of reviving its activity for manufacture of isolators etc.
5. Confirmation of balances for the sundry creditors, sundry debtors and advances has not been obtained.
6. Remuneration provided to the Managing Director: Nil (Previous Year: Nil). In view of the inadequacy of profits, under Section 349 and Section 350 of the Companies Act, 1956, no remuneration or perquisites has been provided during the year.

Y.E.31.03.2009Y.E.31.03.2008

7. Value of Imports calculated on CIF Basis	Nil	Nil
8. Expenditure in Foreign Exchange	Nil	Nil
9. Earnings in Foreign Exchange	Nil	Nil

10. Quantitative Information: As the Company has been carrying on development of computer software and also trading in customized software, it cannot be quantified in any measurable units and hence the quantitative information of the products dealt with by the company is not provided herein.

11. As there were no employees in the company during the year, no provision for Fringe Benefit Tax was applicable and hence not provided.

12. Previous year figures have been regrouped/restated wherever necessary to conform to the current year representation.

13. Other Accounting Standards

- a. Related Party Transactions: There are no related party transactions during the year as the manufacturing operations of the company have been discontinued.
- b. Segment Reporting: As there are no activities in the Company other than trading activities on computer hardware and software, there are no items to be reported under segment reporting.
- c. Deferred tax: In the opinion of the company there is only deferred tax asset and hence not recognized.
- d. Earnings per Share: 0.02(Previous Year: 0.01 (Both basic and diluted)

As per report of even date attached

V. Lavakumar Chairman and Managing Director	J.M. Menezes Director	N.SUBRAMANIAN Chartered Accountant
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Place: Chennai
Date: June 30, 2009

Balance Sheet Abstract and Company's General Business Profile as per Part IV of Schedule VI of the Companies Act, 1956.

Name of the Company: KLK ELECTRICAL LIMITED
Registration No.:8230
Balance Sheet Date:31.03.2009
a. Capital Raised during the year: (Amount in Rs.'000)
Public Issue:Nil Rights Issue:Nil
Bonus Issue:Nil Private Placement:Nil
b. Position of mobilization and deployment of funds (Amount in Rs.'000)

Total Liabilities:18,470 Total Assets:18,470

Sources of Funds:

Paid-up Capital:12,500 Reserves & Surplus:14
Secured Loans: Nil Unsecured Loans: 3,315

Application of Funds:

Net Fixed Assets: 5,733 Investments:0
Net Current Assets: 3,193 Misc. Expenditure: 0
Accumulated Losses: 6,903
Performance of Company (Amount in Rs.'000)
Turnover: 2,581 Expenditure: 2,610
Profit Before Tax (29) Profit After Tax (29)
Earnings per share in Rs: (0.02)

- c. Generic Names of principal products/service of the company (As per monetary terms):

Item code No. (ITC Code):	854490.00	8535.00	8537.00
Product Description:	Bus duct with Accessories	Isolator up to 36 KV	Drives, cubicle up to 36 KV for Distribution Panels

Item code No.(ITC Code): Computer hardware and software

V. Lavakumar Chairman and Managing Director	J.M. Menezes Director
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SCHEDULE - A - FIXED ASSETS AND DEPRECIATION FOR THE YEAR ENDED MARCH 31, 2009

Name of Asset	Gross Block		Depreciation		Net Block			
	As at 01.04.2008 Rs	Additions/ Deletions Rs	As at 31.03.2009 Rs	upto 31.03.2008 Rs	For the Year Rs	upto 31.03.2009 Rs	As at 31.03.2008 Rs	As at 31.03.2009 Rs
Airconditioner	21,500	-	21,500	664	2,898	3,562	20,836	17,938
Furniture & Fixture	194,718	-	194,718	7,996	33,797	41,793	186,722	152,925
Technical Know-how Fees*	5,562,573	-	5,562,573	-	-	-	5,562,573	5,562,573
Total	5,778,791	-	5,778,791	8,660	36,695	45,355	5,770,131	5,733,436
Previous Year	-	5,778,791	5,778,791	-	8,660	8,660	-	5,770,131

Note: No depreciation is charged on technical know-how fees paid as the know-how was not put to use during the year.

KLK ELECTRICAL LIMITED

New No.64, Ground Floor, 8th Cross Street,
West Shenoy Nagar, Chennai 600 030.

**ATTENDANCE SLIP FOR
TWENTY EIGHTH
ANNUAL GENERAL MEETING**

Please fill in this attendance slip and hand it over at the entrance of the meeting hall, Joint shareholders may obtain additional attendance slip on request.

NAME AND ADDRESS OF THE SHARE HOLDER

Master Folio No.									
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No. of Shares held :

I hereby record my presence at the Twenty Eighth Annual General Meeting of the Company held on the 25th September 2009 at 3.00 P.M. at the Company's Registered Office.

SIGNATURE OF THE SHAREHOLDER OR PROXY

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PROXY

KLK ELECTRICAL LIMITED

New No.64, Ground Floor, 8th Cross Street,
West Shenoy Nagar, Chennai 600 030.

Master Folio No.									
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I We being a member of KLK ELECTRICAL LIMITED hereby appoint Of or failing him of As my/our proxy to vote for me/us and on my/our behalf at the Twenty Eighth Annual General Meeting of the Company to be held on Friday the 25th September 2009 at 3.00 P.M. at the Company's Registered Office and at any adjournment thereof

Signed day of 2009



Note:

The proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

BOOK-POST

If undelivered please return to:
KLK ELECTRICAL LIMITED
New No.64, 8th Cross Street,
West Shenoy Nagar,
Chennai 600 030.