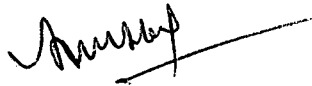


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KUMBHAT FINANCIAL SERVICES LIMITED

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Free copy
For KUMBHAT FINANCIAL SERVICES LTD



Director

**16th Annual Report
2008 - 2009**

KUMBHAT FINANCIAL SERVICES LIMITED

Board of Directors:

Sri. SHANTI KUMBHAT
Managing Director

Sri. AJIT KUMBHAT

Sri KAMAL RAJ MODI

Sri GANPAT RAJ BAGMAR

Sri. RAMABADRAN

Registered Office:

144, N.S.C. Bose Road,
Chennai 600 079

Bankers:

Central Bank of India
The Laxmi Vilas Bank Ltd.,

Auditors:

Krishnan & Giri,
Chartered Accountants,
72 Thatha Muthiappan Street
Chennai 600 001.

Share Transfer Agents:

Cameo Corporate Services Limited,
'Subramanian Building', V Floor,
No.1, Club House Road,
Chennai 600 002

KUMBHAT FINANCIAL SERVICES LIMITED

NOTICE TO THE MEMBERS

Notice is hereby given that the Sixteenth Annual General Meeting of the members of the Company will be held on Tuesday, the 29th September 2009 at 09.15A.M. at Anna Auditorium, ASI Convention Centre, No. 18, Swamy Sivananda Salai, Chepauk, Chennai to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2009 and the Profit and Loss Account for the year ended on that date, together with the notes thereon and schedules thereto and Reports of the Board of Directors, Compliance certificate and the Auditors report.
2. To appoint a Director in place of Sri.Ajit Kumbhat, who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration. The retiring auditors, M/s.Krishnan & Giri, Chartered Accountants, Chennai, are eligible for reappointment.
4. Special Business:
To pass the following resolution with or without modification as an ordinary resolution
Resolved that Mr. Ramabadran who is appointed as an director during the year under section 260 of the companies Act 1956 ceases to be a director at the conclusion of this AGM and in respect of whom the company has received a notice from the member indicating the intention to appoint, Mr. Ramabadran as a director and he is hereby appointed as a director.

By Order of the Board

Registered Office :
144, N.S.C. Bose Road,
Chennai – 600 079.
Date : 30th June, 2009

Shanti Kumbhat
Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY COMPLETED MUST BE RETURNED SO AS TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE COMMENCEMENT OF THE AFORESAID MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from September 15 2009 to September 29, 2009 (both days inclusive).
3. Members are requested to notify immediately any change in their address to the Company or the Share Transfer Agent.
4. Members / Proxies should bring the Attendance slip duly filed in for attending the meeting.
5. In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, a brief resume of Directors who are proposed to be appointed / re-appointed at this meeting is given below :

KUMBHAT FINANCIAL SERVICES LIMITED

A. AJIT KUMBHAT

He is a fellow member of the institute of chartered accountant of India. He has a rich expertise in the field of Accounting and Income Tax Laws.

B. S. RAMABADRAN

He is a qualified chartered accountant and a company secretary with a law degree. He has over 25 years' experience in investment banking, consulting, business processes and organisational development. He has been spear heading various M&A and PE transactions in the last decade.

Registered Office:
144, N.S.C. Bose Road,
Chennai – 600 079.
Date: 30th June, 2009

By Order of the Board

Shanti Kumbhat
Managing Director

KUMBHAT FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Sixteenth Annual Report and Audited Statements of Account for the Financial year ended March 31, 2009.

FINANCIAL RESULT :

	Current Year <u>March 31, 2009</u> (Rs. In Lakhs)	Previous Year <u>March 31, 2008</u> (Rs. In Lakhs)
Income from Operations	36.38	31.03
Profit before Depreciation And Provision for taxation	8.76	14.92
Less : Depreciation	<u>1.54</u>	<u>1.81</u>
	7.22	13.11
Less : Provision for taxation	<u>1.00</u>	<u>2.02</u>
Net Profit	6.22	11.09
Add : Previous year's surplus	<u>57.02</u>	<u>49.93</u>
Amount available for appropriations	<u>63.25</u>	<u>61.02</u>

Appropriations :

Transfer to Statutory Reserve	2.00	2.00
Transfer to General Reserve	2.00	2.00
Surplus carried to Balance Sheet	<u>59.25</u>	<u>57.02</u>
	<u>63.25</u>	<u>61.02</u>

PERFORMANCE :

During the year the Company achieved a Gross Income of Rs.36.38 lakhs as compared to Rs.31.03 lakhs during the previous year. The Profit before tax of the Company stood at Rs.7.22 as against Rs.13.11 lakhs. During the year there were no major disbursements. The focus continued to be on recoveries and towards substantial reduction in operational cost. The net profit of the Company stood at Rs.6.22 lakhs. During the year a sum of Rs.2 lakhs has been appropriated towards Statutory Reserve and Rs.2 lakhs towards General Reserve. The resultant profit of Rs.2.22 lakhs has been carried to the Profit and Loss Account.

KUMBHAT FINANCIAL SERVICES LIMITED

PRUDENTIAL NORMS FOR NBFCs

The prudential norms prescribed by the Reserve Bank of India for NBFC's for income recognition, provisioning for non performing assets and other directions issued from time to time in this regard are followed by the Company. The Company has complied with the capital adequacy norms and other directions issued by the Reserve Bank of India in respect of Non Banking Financial Companies from time to time.

DIVIDEND

In order to strengthen the financial position of the company the directors have decided not to declare dividend for the year.

DIRECTORS

Sri Ajit Kumbhat who retires at the conclusion of this Annual General Meeting and being eligible, offers himself for re-appointment.

Sri. S. Ramabaran appointed as additional director during the year, ceased to be director at the end of this Annual General Meeting and is appointed as a new director

DEPOSITS

The Company has not accepted any fixed deposit from the public.

AUDITORS

M/s. Krishnan & Giri, Chartered Accountants, Chennai retire at the forthcoming Annual General Meeting. They have advised of their availability for re-appointment.

PROSPECTS

This year also witnessed consolidation in the NBFC sector wherein the financial position and profitability of the companies came under severe strain. Certain global majors also entered into the field which resulted in intense competition and there by resulting in reduction of interest rate. The directors are of the opinion that the same trend will continue in the coming years.

COMPLIANCE CERTIFICATE

The company has obtained compliance certificate for the year ended 31.03.2009 from Mr. Murugan, Practicing Company Secretary.

INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

The Company has no activity relating to conservation of energy or technology absorption. The Company did not have foreign exchange earning or outgo.

PERSONNEL

The Company has no employee who is in receipt of remuneration in excess of the amount prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

KUMBHAT FINANCIAL SERVICES LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 217(2AA) of the Companies Act, 1956 your directors confirm as follows :

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed.
- ii) that the Directors had selected such accounting policies and applied them consistently which are reasonable and prudent so as to give a true and fair view of state of affairs of the company at the end of the financial year and of the financial year and of the profit or loss of the company for that year;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

A Separate Report on Corporate Governance is incorporated as a part of this Annual Report along with Auditor's Statement on its compliance, as prescribed under clause 49 of the Listing Agreement.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their deep appreciation of the services of the Managing Director and the members of the staff of the company.

For and On behalf of the Board

Chennai
Date : 30th June, 2009

Shanti Kumbhat
Managing Director

KUMBHAT FINANCIAL SERVICES LIMITED

REPORT ON CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement, a Report on Corporate Governance is given below.

A. MANDATORY REQUIREMENTS

1. Company's philosophy on Code of Governance

The Company's philosophy on Corporate Governance is proactively meeting its obligation to its shareholders and sincerely believes that all its activities must serve towards attaining optimum level of financial stability thereby enhancing the shareholders' value, over a sustained period of time.

2. Board of Directors

Composition

The Present strength of the Board is 5 Directors. The Board comprises of Executive and Non Executive Directors. Sri Shanti Kumbhat is the Managing Director. The remaining Directors are Non Executive Directors.

Name of the Director	Category of Directorship	No. of Board Meetings	% of Total Meetings	Attendance at the last AGM
Sri. Shanti Kumbhat	Managing Director	7	100	Yes
Sri Ganpat Raj Bagmar	Director	7	100	Yes
Sri Kamal Raj Modi	Director	7	100	Yes
Sri Ajit Kumbhat	Director	7	100	Yes
Sri. S. Ramabadran	Additional Director	-	-	-

There were seven board meetings held during the financial year.

KUMBHAT FINANCIAL SERVICES LIMITED**3. Audit Committee**

Terms of Reference and Composition, Chairman and the Name of Members

The Committee comprises of Sri Ganpat Raj Bagmar, Chairman of the Committee, Sri Ajit Kumbhat and Sri Kamal Raj Modi all being Non-Executive Directors. The Chairman of the Committee is an independent Director. Majority of the Members have financial and accounting knowledge. The Chief Executive Officer, Internal Auditors and Statutory Auditors are invitees to the Meeting. The terms of reference of this Committee are wide enough covering matters specified for Audit Committee under the Listing Agreement.

Meetings and attendance during the year

There were three meetings of the Audit Committee during the financial year 2008-09 and the attendance of each member of the committee is given below.

No.	Name of the Director	No. of Meetings attended	% of Total Meetings attended
1.	Ganpat Raj Bagmar	3	100
2.	Ajit Kumbhat	3	100
3.	Kamal Raj Modi	3	100

4. Remuneration to Directors

- a) Remuneration to Directors included Rs.150000/- paid to the Managing Director.
- b) Details of payments to Non-Executive Directors during the financial year 2008-09 are given below.

No.	Name of the Director	Sitting Fee for Board Meetings & Committee Meetings	Commission
1.	Ganpat Raj Bagmar	6000	Nil
2.	Ajit Kumbhat	6000	Nil
3.	Kamal Raj Modi	5000	Nil

KUMBHAT FINANCIAL SERVICES LIMITED

5. Investors / Shareholders Grievance Committee

The Company has formed a Securities Transfer and Investors' Grievance Committee. The Committee Comprises of Sri.Ajit Kumbhat, the Chairman of the Committee, Sri Kamal Raj Modi and Sri Ganpat Raj Bagmar all being Non-Executive Directors. The Committee looks into the shareholders and Investors' complaints. All the complaints received from the Shareholders have been resolved. The number of shares transferred from 01.04.2008 to 31.03.2009 were 20 transfers for 29425 shares and 2 transmission for 500 shares.

6. General Body Meetings

Details of the location of the past three AGMs and the details of the resolutions passed by postal ballot.

a. Details of the location of the past three AGMs

1. Financial Year 2007 – 2008 : Anna Auditorium
ASI Convention Center
No.18, Swami Sivananda Salai,
Chepauk, Chennai – 600 005.
2. Financial Year 2006 – 2007 : Anna Auditorium
ASI Convention Center
No.18, Swami Sivananda Salai,
Chepauk, Chennai – 600 005.
3. Financial Year 2005 – 2006 : Anna Auditorium
ASI Convention Center
No.18, Swami Sivananda Salai,
Chepauk, Chennai – 600 005.

b. No resolutions were put through postal ballot in the earlier years.

7. Disclosures on materially significant related party transactions of the Company of a material nature, with its promoters, the Directors or the Management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.

*All transactions with the Companies in which the promoters or Directors or the management, their subsidiaries or their relatives etc., that may have potential conflict with the interests of the Company at large.

Details of non-compliance by the Company, penalties, stricture imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Listing fees has not paid in respect of	
Hyderabad Stock Exchange	2001-2002 to 2008-2009
Ahmedabad Stock Exchange	2001-2002 to 2008-2009
Coimbatore Stock Exchange	2001-2002 to 2008-2009

KUMBHAT FINANCIAL SERVICES LIMITED

8. Means of communications

Half-yearly report sent to the household of each Shareholder	No, as the results of the company are published in the Newspapers.
Quarterly Results	No, as the results of the company are published in the Newspapers.
Any Website, where displayed	Yes, the results are displayed on Website.
Whether it is also displayed in Official Newspaper	No
Presentation made to institutional investors: or to analysts	No
Newspapers in which results are normally published in	1. Makkal Kural and 2. Trinity Mirror
Whether Management Discussion and analysis is a part of Annual Report or not	Yes

9. General Shareholder Information

AGM

Date	29 th September 2009
Time	9.15 A.M.
Venue	Anna Auditorium ASI Convention Centre No.18, Swamy Shivananda Salai Chepauk, Chennai – 600 005.

Financial Calender

*	Results of the First Quarter (April – June) Last week of July
*	Results for the Second Quarter (July – September) Last week of October
*	Results for the Third Quarter (October – December) Last week of January
*	Annual Results (April – March) Last week of June

KUMBHAT FINANCIAL SERVICES LIMITED

Date of Book Closure	:	September 15 to September 29, 2009 (both days inclusive)
Dividend Payment Dates	:	No Dividend proposed/declared
Listing on Stock Exchanges	:	The Madras Stock Exchange The Stock Exchange Mumbai Hyderabad Stock Exchange Coimbatore Stock Exchange Ahmedabad Stock Exchange
Stock Code	:	
Mumbai Stock Exchange	:	KUMBHFN – 526869
Madras Stock Exchange	:	KFS
Hyderabad Stock Exchange	:	KFS
Coimbatore Stock Exchange	:	21108
Ahmedabad Stock Exchange	:	KUMBHATFIN – 31609
ISIN Number for NSDL & CDSL	:	INE795E01019
Stock Price Data	:	Shares were not quoted in any Exchange on any day during the year.
Registrar and Share Transfer Agent	:	M/s. Cameo Corporate Services Limited "Subramanian Building" No.1, Club House Road Chennai – 600 002. Ph : 044 – 28460390 Fax : 044– 28460129 E-mail: cameosys@satyam.net.in
Share Transfer System	:	All the transfer requests received are processed and approved by an Authorized Officer / The Securities Transfers and Investors' Grievance Committee. Normally transfers are processed and approved twice in a month or more depending on the volume of transfers.
Distribution of Shareholding and Share -holding pattern as on March 31, 2009	:	As per Annexure – A

KUMBHAT FINANCIAL SERVICES LIMITED

Dematerialisation of Shares and Liquidity	26.10% of the paid-up capital has been dematerialized as on March 31, 2009.
Outstanding GDRs / ADRs / Warrants or any convertible instruments conversion date and likely impact on equity	The Company has not issued any GDR/ ADR
Address for Correspondence	
a. for transfer / dematerialized of shares and any other query relating to the shares of the Company.	M/s. Cameo Corporate Services Limited Unit : KFSL "Subramanian Building" No.1, Club House Road, Chennai-600 002.
b. For shares held in demat form	Depository Participants
c. Any query on the Annual Report and for the Correspondence	The Managing Director Kumbhat Financial Services Limited No.144, N.S.C. Bose Road, Chennai - 600 079.

B. NON MANDATORY REQUIREMENTS

- a. Chairman of the Board : Whether the Chairman of the Board is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in the performance of his duties:
- * No
- b. Remuneration Committee :
- * The Company has not yet set up a Remuneration Committee.
- c. Shareholder Right : The half-yearly declaration or financial performance including a summary of the significant events in last six months should be sent to the household of each shareholder:
- * As the Company's half yearly results are published in English and Tamil Newspapers, the same are not sent to the shareholders of the Company.
- d. Postal Ballot :
- * The Company has not yet made use of the postal ballot.

KUMBHAT FINANCIAL SERVICES LIMITED

ANNEXURE A

The distribution of shareholding as on March 31, 2009

No. of Equity Shares held	Share Holders		Share Amount	
	Numbers	% of Total	In Rs.	% of Total
1 – 500	7442	84.3573	13624000	28.6821
501 – 1000	766	8.6828	6734000	14.1768
1001 – 2000	288	3.2646	4339000	9.1347
2001 – 3000	171	1.9383	4278000	9.0063
3001 – 4000	30	0.3401	1043000	2.1958
4001 – 5000	58	0.6574	2821000	5.9389
5001 – 10000	38	0.4307	2908000	6.1221
10001 and above	29	0.3287	11753000	24.7432
Grand Total	8822	100.00	47500000	100.00

Shareholding Pattern as on March 31, 2009

Category	No. of Shares	%
A. Promoters Holding		
1. Promoters		
- Indian Promoters	636800	13.40
- Foreign Promoters		
2. Persons acting in-concert		
B. Non-Promoters Holding		
3. Institutional Investors		
i. Mutual Fund	200	0.01
ii. Banks, Financial Institution		
Insurance Companies		
(Central / State		
Govt. Institutions / Non-	500	0.01
Government		
Institutions)		
iii. FIs		
iv. Foreign Institutional		
Investment (Foreign		
Company)	437800	9.21
4. Others	3674700	77.37
i. Private Corporate		
Bodies		
ii. Indian Public		
iii. NRIs / OBCs		
iv. Any Other (Please		
Specify)		
Total	4750000	100

KUMBHAT FINANCIAL SERVICES LIMITED

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**AUDITORS CERTIFICATE****(Under clause 49 of the Listing Agreement)****TO THE MEMBERS OF KUMBHAT FINANCIAL SERVICES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Kumbhat Financial Services Limited for the year ended on March 31, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Subject to non payment of Listing Fees to the Hyderabad, Ahmedabad and Coimbatore Stock Exchanges for the year 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-08 and 2008-2009, in our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.

We state that no grievance(s) is / are pending for the period exceeding one month against the Company as per the records maintained by the Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for **KRISHNAN & GIRI**
Chartered Accountants

Chennai
Date : 30th June, 2009

R. Saptagiri
Partner

KUMBHAT FINANCIAL SERVICES LIMITED**AUDITOR'S REPORT TO THE MEMBERS OF****KUMBHAT FINANCIAL SERVICES LIMITED, CHENNAI**

We have audited the attached Balance Sheet of KUMBHAT FINANCIAL SERVICES LIMITED, CHENNAI as at 31st March, 2009 the Profit and Loss Account and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report), Order 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
3. Further as required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1998, vide Notification No.DFC.114/DG(SPT)-98 dated January 2nd 1998, we enclose in the Annexure a statement on the matters specified in paragraphs 3 of the said notification.
4. Further to our comments in the annexure referred to in paragraph '1' above we report that :
 - a) We have obtained all the information and explanations which to the best to our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books.
 - c) The Balance Sheet, Profit and Loss Account and cash flow statement are in agreement with the books of accounts.
 - d) In our opinion, the the Balance Sheet, Profit and Loss Account and Cash flow statement comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of the information and explanations given to us and representations obtained by the company there are no directors of the company who, as at 31st March 2008, are disqualified under section 274(1)(g) of the Companies Act, 1956, from being appointed as Directors.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said account read along with the notes thereon give the information required by the Companies Act, 1956 in the manners required and also give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i) In so far as it relates to the Balance Sheet of the state of affairs of the Company as at 31st March, 2009 and
 - ii) In so far as it relates to the Profit and Loss Account of the Profit of the Company for the year ended on that date.
 - iii) In so far as it relates to the Cash flow statement, of the cash flow for the year ended on that date.

for **KRISHNAN & GIRI**
Chartered Accountants

Chennai
Date : 30th June, 2009.

R.Saptagiri
Partner
Membership No.38623

KUMBHAT FINANCIAL SERVICES LIMITED

KUMBHAT FINANCIAL SERVICES LIMITED, CHENNAI
ANNEXURE REFERRED TO IN PARA '2' OF OUR REPORT OF EVEN DATE

1. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. All the assets have been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No serious discrepancies were noticed on such verification. None of the Fixed Assets were disposed off during the year and therefore do not affect the going concern status of the Company.
2. The stock of Shares were physically verified by the management at the year-end.
As per the information given to us, the procedure of physical verification of stocks followed by the management is in our opinion reasonable and adequate in relation to the size of the company and nature of its business.
On the basis of our examination of stock records, it is found that the same have been properly maintained and as per the explanations given to us, no material discrepancies have been noticed on physical verification as compared to book records.
3. In our opinion, the company has not taken / granted loans during the year from / to parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and in accordance with the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and nature of its business, for purchases of inventory and fixed assets and with regard to the sale of goods.
5. In our opinion, and according to the information and explanations given to us, there are no transactions for purchase / sale of goods, services made in purchase of contracts or arrangements required to be entered in the register maintained under section 301 of the register, aggregating during the year to Rs.5,00,000/- or more in respect of each party.
6. In our opinion, and according to the information and explanations given to us, the company has not accepted any deposits from public.
7. In our opinion, the company does have an an internal audit system, the scope and coverage of which needs to be strengthened to make it commensurate with the size and nature of its business.
8. The Company is not required to maintain any cost records as prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 as the same is not applicable to the Company.
9. According to the explanations given to us, the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees State Insurance Act, 1948 are not applicable to the Company.
10. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Sales Tax, Customs Duty and Excise Duty as at 31st March, 2009, for a period of more than six months from the date they became payable. Further, according to the information and explanations give to us, there are no disputed statutory dues pending payment.

KUMBHAT FINANCIAL SERVICES LIMITED

11. On the basis of the financial statements, the company does not have accumulated loss nor has it incurred cash loss during the year, as well as in the immediately preceding financial year.
12. The Company has not issued any debentures. According to the records of the Company examined by us, the Company has not availed any term loan or working capital limits from any bank of financial institution.
13. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4(xii) of the Order is not applicable.
14. The Company is not a Chit Fund, Nidhi, Mutual Benefit Fund or a Society. Accordingly, clause 4(xiii) of the order is not applicable.
15. According to the information and the explanations given to us and based on the records examined by us, the company is maintaining proper records in respect of the shares dealt and the said investments (subject to note on investment) have been held by the company in its own name as per the provisions of the Section 49 of the Companies Act, 1956.
16. On the basis of information and explanations given to us, the company has not given guarantee to any Bank or Financial Institution on behalf of other parties.
17. The Company has not taken any term loans. Hence clause (xvi) of para 4(A) is not applicable.
18. On the basis of our examination of the books of account and the information and explanation given to us, in our opinion, the funds raised on short term basis have not been used for long term investment.
19. The Company has not made any preferential allotment of shares to any party listed in the register maintained under section 301 of the Companies Act, 1956. Hence clause 4(xviii) of the Order is not applicable.
20. The Company has not issued debentures. Hence, clause 4(xix) of the Order is not applicable.
21. The Company has not raised any money by way of public issues during the year. Hence clause 4(xx) of the Order is not applicable.
22. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

for **KRISHNAN & GIRI**
Chartered Accountants

Chennai
Date : 30th June, 2009

R. Saptagiri
Partner

KUMBHAT FINANCIAL SERVICES LIMITED

**KUMBHAT FINANCIAL SERVICES LIMITED, CHENNAI
ANNEXURE REFERRED TO IN PARA '3' OF OUR REPORT OF EVEN DATE**

1. The Company had earlier received the 'Certificate of Registration' from the Reserve Bank of India, Pursuant to Section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934), which is still in force.
2. In the meeting of Board of Directors held on 31st January 2009 at the registered office of the Company, the Board of Directors has passed a resolution for non-acceptance of any public deposits.
3. The Company has not accepted any public deposits during the year.
4. During the year the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable.

for **KRISHNAN & GIRI**
Chartered Accountants

Chennai
Date : 30th June, 2009

R. Saptagiri
Partner

KUMBHAT FINANCIAL SERVICES LIMITED**BALANCE SHEET AS**

As at 31st March 2008 Rs.	LIABILITIES	Schedule	As at 31st March 2009 Rs.
4,75,00,000	Share Capital	I	4,75,00,000
1,07,87,428	Reserves and Surplus	II	1,14,09,920
33,64,568	Current Liabilities and Provisions	III	27,69,231
20,73,737	Deferred Tax Liability	IV	20,38,431
<u>6,37,25,733</u>			<u>6,37,17,582</u>

(Schedules I to VI and VIII form part of this Balance Sheet)

"This is the Balance Sheet referred to in our report of even date".

for Krishnan & Giri
Chartered Accountants

Place : Chennai
Dated : 30th June 2009

R.Saptagiri
Partner

KUMBHAT FINANCIAL SERVICES LIMITED**AT 31ST MARCH 2009**

As at 31st March 2008 Rs.	ASSETS	Schedule	As at 31st March 2009 Rs.
	Fixed Assets	V	
	Gross Block		1,39,14,518
	Less : Depreciation		86,47,639
	Net Block		52,66,879
46,52,195	Less : Lease Adjustment Account		7,68,619
5,90,73,538	Current Assets, Loans and		
	Advances	VI	5,92,19,322
	Accounting Policies and		
	Notes on Accounts	VIII	
<u>6,37,25,733</u>			<u>6,37,17,582</u>

For Kumbhat Financial Services Limited

Shanti Kumbhat
Managing Director

Kamal Raj Modi
Director

Place : Chennai
Dated : 30th June 2009

Ramabadrnan
Director

Ajit Kumbhat
Director

Ganpat Raj Bagmar
Director

KUMBHAT FINANCIAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR

Year ended 31st March 2008 Rs.	EXPENDITURE	Year ended 31st March 2009 Rs.
2197250	To Opening Stock	2235235
342883	" Purchase	6000
96000	" Salary and Bonus	204000
110000	" Director Remuneration	210000
17000	" Director's Sitting fees	17000
96000	" Rent and Other Amenities	96000
11400	" Postage and Telephone Charges	29200
47500	" Printing and Stationery	19256
-	" Professional and Consultancy Charges	-
-	" Auditors' Remuneration	-
14045	- Towards Audit	17416
3371	- Towards Tax Audit	-
-	" Listing, Share Transfer	-
36000	" Exp & Filing fees	58060
2000	" Demat Charges	1566
9700	" Travelling and Conveyance	17948
23500	" Vehicle Maintenance Expenses	22500
42253	" Advertisement Charges	19500
1910	" Financial Charges	65198
120012	" AGM Expense	74760
28221	" Miscellaneous Expenses	6517
180873	" Depreciation	153934
8245	" Sundries Balance W/o	-
891672	" Bad Debts w/o	1421606
51709	" Provision for Non Performing Assets	267474
2435	" Fringe Benefit Tax	2627
-	" Provisiob for Gratuity	26000
200000	" Provision for taxation	100000
1109461	" Net Profit	622492
<u>5643440</u>		<u>5694289</u>
200000		200000
200000	To Statutory Reserve	200000
5702713	" General Reserve	5925205
<u>6102713</u>	" Surplus Carried to Balance Sheet	<u>6325205</u>

Schedule VII form part of this Balance Sheet

"This is the Profit and Loss Account referred to in our report of even date".

for Krishnan & Giri
Chartered Accountants

Place : Chennai
Dated : 30th June 2009

R.Saptagiri
Partner

KUMBHAT FINANCIAL SERVICES LIMITED**THE YEAR ENDED 31ST MARCH 2009**

Year ended 31st March 2008 Rs.	INCOME	Schedule	Year ended 31st March 2009 Rs.
336619	By Sales		
2235235	" Closing Stock		1914408
3009502	" Interest Income (TDS Rs.225557)		3632205
2600	" Dividend		5710
27509	" Provision for Non performing Assets written back		
-	" Excess provision for taxation relating to earlier year written back		106660
31975	" Deffered Tax Asset		35306
<u>5643440</u>			<u>5694289</u>
4993252	By Balance b/f		5702713
1109461	" Net Profit		622492
<u>6102713</u>			<u>6325205</u>

" This is the Profit and Loss Account referred to in our report of even date".

For Kumbhat Financial Services Limited

Shanti Kumbhat
Managing Director

Ajit Kumbhat
Director

Ramabadrans
Director

Ganpat Raj Bagmar
Director

Kamalraj Modi
Director

KUMBHAT FINANCIAL SERVICES LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS

	As at 31st March 2009 Rs.	As at 31st March 2008 Rs.
SCHEDULE I : SHARE CAPITAL		
Authorised		
1,00,00,000 Equity Shares of Rs. 10/- each	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid up		
47,50,000 Equity Shares of Rs.10/- each	4,75,00,000	4,75,00,000
SCHEDULE II : RESERVES AND SURPLUS		
Statutory Reserve		
As per last Balance Sheet	26,65,000	
Add : Transfer from Profit and Loss		
Appropriation Account	2,00,000	28,65,000
General Reserve		
As per last Balance Sheet	24,19,715	26,65,000
Add : Transfer from Profit and Loss		
Appropriation Account	2,00,000	24,19,715
Surplus as shown in the Profit and Loss Account	59,25,205	57,02,713
	1,14,09,920	107,87,428
SCHEDULE III : CURRENT LIABILITIES AND PROVISIONS		
(A) Current Liabilities :		
Sundry Creditors		
for Expenses	3,12,993	2,52,517
Other Liabilities	1,55,303	-
	(A) 4,68,296	2,52,517
(B) Provisions :		
for Taxation	1,02,627	12,07,217
"Gratuity	26,000	-
" Non Performing Assets	21,72,308	19,04,834
	(B) 23,00,935	31,12,051
	(A)+(B) 27,69,231	33,64,568
SCHEDULE IV : DEFERRED TAX LIABILITY		
Deferred Tax	20,38,431	20,73,737

SCHEDULE V : FIXED ASSETS

	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2008	ADDITIONS	As at 31.03.2009	UPTO 31.03.2008	FOR THE YEAR	UPTO 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
A. Assets for own use								
Office Equipments	12750		12750	12055	126	12181	570	696
Computers	234050		234050	233456	238	233694	356	594
Vehicles	234136		234136	229456	1205	230661	3475	4680
Plant & Machinery	1018480		1018480	260179	0	260179	758301	758301
Water Pollution Control Equipments	4700000		4700000	1111644	0	1111644	3588356	3588356
(A)	6199416		6199416	1846790	1569	1848359	4351058	4352627
B. Assets Given on Lease								
Vehicles	1028084		1028084	994810	8615	1003425	24659	33274
Plant & Machinery	6687018		6687018	5652105	143750	5795855	891163	1034914
(B)	7715102		7715102	6646915	152365	6799280	915822	1068188
Total (A) + (B)	13914518		13914518	8493705	153934	8647639	5266880	5420815
Previous year Figures	13914519	Nil	13914518	8312832	180873	8493705	5420815	5601687

Note : 1. Depreciation has been provided on 'Written Down Value' method in accordance with the rates specified in Schedule XIV to the Companies Act, 1956

KUMBHAT FINANCIAL SERVICES LIMITED**SCHEDULE VI : CURRENT ASSETS, LOANS AND ADVANCES****A. Current Assets**

Stock in trade (at lower of the cost or market value as certified by the Managing Director)	19,14,408	22,35,235
---	-----------	-----------

I. QUOTED SHARES (Fully paid)

	<i>No. of Shares</i>	<i>Face Value Rs.</i>	<i>Amount</i>
APPLE CREDIT CORPORATION LIMITED	8,000	10	-
BIOFIL CHEMICAL & PHARMACEUTICALS	1,000	10	1390
CAUVERY SOFTWARE ENGINEERING	1,000	10	-
SQUAREDBIO LTD	500	10	-
ITIL	3,000	10	45,863
SESA GOA LTD *	100	10	10,075
SAAG RR INFRA LTD*	6,000	10	60,000
SHASUN CHEMICALS & DRUGS LTD	2,000	10	25,100
RANBAXY LABORATORY	400	10	66,240
SUJANA METALS	500	10	3,340
SUJANA TOWERS LIMITED	500	10	2,400
			<u>2,14,408</u>

* held in the name of Director

II. UNQUOTED SHARES (Fully paid)

P G Nahar	5,000	100	5,00,000
Hudson Software Pvt Ltd	1,20,000	10	12,00,000
			<u>19,14,408</u>

KUMBHAT FINANCIAL SERVICES LIMITED

Sundry Debtors

(Unsecured and considered good for
which the company holds no security
other than the debtors personal security)

(More than six months) 22,13,652 18,89,936

(Less than six months) - 14,25,000

Lease Rent Receivable

(Secured & Considered good - Secured
by the asset/s given on Lease under
under respective lease agreements)

(More than six months) 15,78,793 15,78,793

(Less than six months) - -

Cash and Bank Balances

- Cash on hand 19,546 4,34,943

- Balance with Schedule Banks

- Current Accounts 14,08,475 3,78,292

(A) 71,34,873 79,42,199

A. Loans and Advances

Loans

(Unsecured, Considered Good)

(More than six months) 4,59,77,738 3,85,69,675

(Less than six months) 25,82,207 86,62,161

Advances recoverable in cash or in kind or
for value to be received

28,74,406 28,74,406

Advance payment of Tax (including T.D.S.)

6,50,097 10,25,097

(B) 5,20,84,448 5,11,31,339

TOTAL

(A)+(B) 5,92,19,322 5,90,73,538

KUMBHAT FINANCIAL SERVICES LIMITED

SCHEDULE VII : PROFIT ON TRADING IN SHARES AND SECURITIES

Sales		3,36,619	11,46,849
Add: Closing Stock		<u>22,35,235</u>	<u>21,97,250</u>
	(A)	<u>25,71,854</u>	<u>33,44,099</u>
Purchases		3,42,883	4,48,580
Add: Opening Stock		<u>21,97,250</u>	<u>28,47,825</u>
	(B)	<u>25,40,133</u>	<u>32,96,405</u>
Profit on Trading in Shares & Securities	(A-B)	31,721	47,694

KUMBHAT FINANCIAL SERVICES LIMITED

SCHEDULE VIII : SIGNIFICANT ACCOUNTING POLICIES 1. ACCOUNTING CONVENTION:

1. The accounts have been prepared under the historical cost convention.
2. Income and Expenditure recognition :
 - a) Lease Income is accounted as per the terms of the respective lease agreements.
 - b) Interest on loans are accounted for on accrual basis.
 - c) Dividend on shares and other incomes are accounted for on receipt basis.
 - d) All items of expenditure are accounted for on accrual basis.
3. The Company has followed the prudential norms as prescribed by the Reserve Bank of India under Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998 as amended from time to time.
4. Depreciation / Amortisation policy : Depreciation on assets is provided on the Written Down Value Method at the rates prescribed in Schedule XIV to the Companies Act, 1956.
The Cost of the leased assets is amortised during the lease period, for all the assets acquired since inception, as recommended in the "Guidance Note on Accounting for Leases (Revised)" issued by the Institute of Chartered Accountants of India.
Depreciation has not been provided on repossessed assets pending the sale and / or realization of the assets since the assets are not put into use after such repossession.
5. Valuation of Fixed Assets :
Fixed Assets are carried at historical cost less accumulated depreciation.
6. Inventory of Shares :
Shares and Securities are valued at Cost or market price whichever is lower.
7. Compliance with Accounting Standards :
Appropriate Accounting Standards have been duly considered while preparing the financial and other statements.
8. Retirements Benefits :
Retirement benefits are accounted for on Accrual basis as per Revised Accounting Standard -15 on the basis of actuarial valuation.
9. Accounting for Taxes on Income (AS 22)
Deferred Tax Assets / Liability is recognized as per Accounting Standard AS 22 on 'Accounting for taxes on Income' issued by The Institute of Chartered Accountants of India.

KUMBHAT FINANCIAL SERVICES LIMITED**NOTES ON ACCOUNTS**

1. Contingent Liabilities. : Nil
2. **MANGIERIAL REMUNERATION :** **31.03.2009** **31.03.2008**
- Director Sitting Fees 17,000 17,000

3. Other information pursuant to paragraph 4C and 4D of part II Schedule VI to the Companies Act, 1956 is not applicable to the Company.
4. INFORMATION IN RESPECT OF OPENING STOCK, PURCHASES, SALES AND CLOSING STOCK OF SHARES TRADED IN :

ACCOUNTING YEAR ENDED	OPENING STOCK		PURCHASES		SALES		CLOSING STOCK	
	QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
31 st March 2009	39000	22.35	1000	0.06	NIL	NIL	40000	19.14
31 st March 2008	41600	21.97	1500	3.42	4300	3.36	39000	22.35

5. Employee benefits Obligations:

(i) Defined contribution plans:

The benefits of the defined contribution plan in the form of provident fund is not applicable to the company.

(ii) Defined Benefit Plans:

The company offers its employees defined benefit plans in the form of gratuity (a lump sum amount). Benefits under the defined benefit plans are based on years of service and the employees last drawn salary immediately before exit. The gratuity scheme covers substantially all regular employees. However the company has not created any fund in accordance with the scheme. Commitments are actuarially determined at year end. On adoption of the revised Accounting

Standard (AS 15) on "Employee Benefits" notified under the Companies (Accounting Standards) Rules, 2006, actuarial valuation is done based on "Projected Unit Credit Method". Gains and loss of changed actuarial assumptions are charged to Profit & Loss Account. The obligation for leave Encashment benefits is not recognized.

KUMBHAT FINANCIAL SERVICES LIMITED

The net value of the defined benefit commitment is detailed below:

Obligation	Gratuity (Non funded)	
	As at 31.03.2009 Rs	As at 31.03.2008 Rs
Present value of obligation	26,000	Nil
Fair Value of Plan Assets	Nil	Nil
Net Liability recognized in the Balance Sheet	26,000	Nil

Plan Assets	Gratuity (Non funded)	
	As at 31.03.2009 Rs	As at 31.03.2008 Rs
Opening Balance	Nil	Nil
Expected Return	Nil	Nil
Contributions by the company	Nil	Nil
Benefits paid	Nil	Nil
Actuarial Gain	Nil	Nil
Closing balance 31.03.09	Nil	Nil

The company has not created any fund into which contributions are made. Hence furnishing of information on Return on Plan Assets does not arise.

Expense recognized in the Profit & Loss Account	Gratuity (Non funded)	
	Year ended 31.03.09 Rs	Year Ended 31.03.08 Rs.
Current Service Cost	6000	Nil
Interest Cost	Nil	Nil
Expected Return on Plan Assets	Nil	Nil
Benefits paid directly	Nil	Nil
Net Actuarial (Gain)/loss	20,000	Nil
Expense charged to Profit & Loss Account	26,000	Nil

Actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions, which if changed, would affect the defined benefit commitment's size.

	Gratuity (Non funded) Year ended 31.03.2009
Rate of Discount applied	7.5%
Expected Salary Escalation	5%
Expected Return on plan assets	Does not arise
Mortality table used	LIC (1994-96) Ultimate Mortality Table

KUMBHAT FINANCIAL SERVICES LIMITED

The Institute of Chartered Accountants of India, in May 2007 released its Guidance on the implementation of the Revised Accounting Standard on "Employee Benefits" (AS 15 Revised 2005). The present value of the obligation, Acturial assumptions and its charge to the Profit & Loss Account and has been adopted by the company in the financial year 2008-09.

6.	Related Party Disclosure pursuant to AS 18		
	- Towards Rent -	Kumbhat & Co., -	Rs.96,000/-
	- Director's Remuneration		- Rs.210000/-

7.	Earnings per share (EPS) as per AS 20	(Rs. In Lakhs)	
		2008-2009	2007-2008
(i)	Profit after tax / Profit attributable to ordinary share holder	6.22	11.09
(ii)	No. of Shares for EPS	47,50,000	47,50,000
(iii)	Nominal Value of Ordinary Share	Rs.10	Rs.10
(iv)	Basic Earnings per share	Re.0.13	Re.0.23

8. Figures for the previous period have been regrouped / rearranged wherever necessary.

9. Figures have been rounded off to the nearest rupee.

for **KRISHNAN & GIRI**
Chartered Accountants

for **Kumbhat Financial Services Limited**

R.Saptagiri
Partner

Shanti Kumbhat
Managing Director

Kamal Raj Modi
Director

Ajit Kumbhat
Director

Place : Chennai
Date : 30th June, 2009

Ramabadrn
Director

Ganpat Raj Bagmar
Director

KUMBHAT FINANCIAL SERVICES LIMITED

SCHEDULE

As required in terms of paragraph 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998

1. Borrower group-wise classification of all Land Assets.

Category	Amount of Provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the Sale Group	Nil	Nil	Nil
(c) Other related Parties	Nil	Nil	Nil
2. Other than related parties	915822	Nil	915822
Total	915822	Nil	915822

2. Borrower group-wise classification of all loans and advances

Category	Amount of Provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the Sale Group	Nil	Nil	Nil
(c) Other related Parties	Nil	7460759	7460759
2. Other than related parties	Nil	41199186	41199186
Total	Nil	48659945	48659945

1. Other Information.

Particulars	Amount
1. Gross Non Performing Assets	
(a) Related Parties	
(b) Other than Related Parties	8687009
2. Net Non Performing Assets	
(a) Related Parties	
(b) Other than Related Parties	6514701
3. Assets acquired in satisfaction of debt	

KUMBHAT FINANCIAL SERVICES LIMITED

**ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI
TO THE COMPANIES ACT, 195
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details			
Registration No.	2 4 4 3 3	State Code	1 8
Balance Sheet Date	3 1 0 3 2 0 0 9		
II. Capital Raised during the year (Amount in Rs. Thousands)			
Public Issue		Right Issue	
Bonus Issue		Private Placement	
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)			
Total Liabilities	6 0 9 4 8	Total Assets	6 0 9 4 8
Sources of Funds			
Paid up Capital	4 7 5 0 0	Reserves & Surplus	1 1 4 1 0
Secured Loans		Unsecured Loans	
Application of Funds			
Net Fixed Assets	4 4 9 8	Investments	
Net Current Assets	5 6 4 5 0	Misc. Expenditure	
Accumulated Losses			
IV. Performance of the Company (Amount in Rs. Thousands)			
Turnover	3 6 3 8	Total Expenditure	2 9 1 3
Profit/Loss Before Tax	7 2 5	Profit/Loss After Tax	6 2 2
Earning Per Share in Rs.	0 1 3	Dividend Rate %	
V. Generic Names of Three Principal Products/Services of Company (as per Monetary Terms)			
Item Code No. (ITC Code)	N A		
Product Description	F I N A N C E		
Item Code No. (ITC Code)	N A		
Product Description	L E A S I N G O F A S S E T S		
Item Code No. (ITC Code)	N A		
Product Description	H I R E P U R C H A S E		

KUMBHAT FINANCIAL SERVICES LIMITED**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET PURSUANT
TO CLAUSE 32 OF THE LIST AGREEMENT**

	31st March 2009 Rs.	31st March 2008 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit	1622492	1109461
Adjustment for		
Provision for Income Tax	102627	200000
Provision for Non Performing Assets	267474	24200
Provision for Gratuity	26000	
Depreciation	153934	180873
Deferred Taxf	(35306)	(31975)
	514729	373098
Operating profit before working capital changes	1137221	1482559
<u>Changes in Working Capital</u>		
Increase in Loans	(1328109)	(1945934)
Decrease/(Increase) in Sundry Debtors	(1818732)	(1818732)
Decrease in Provision for income tax	(1207217)	
Decrease in Advance Tax	375000	(113469)
Increase in Current Liabilities	215779	53415
	(843263)	(3824720)
NET CASH FLOW FROM OPERATING ACTIVITIES	(293958)	(2342161)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Decrease/(Increase) in Stock-in-trade	(320828)	(37985)
NET CASH FLOW FROM INVESTING ACTIVITIES	320828	(37985)
Net Decrease in Cash and Bank Balance	614785	(2380146)
Opening Cash and Bank Balance	813238	3193384
Closing Cash and Bank Balance	1428022	813235

Chennai
Date : 30th June, 2009

For and on behalf of the Board

Shanti Kumbhat
Managing Director

Auditors' Report

We have verified the attached Cash Flow Statement of Kumbhat Financial Services Limited, derived from audited financial statements and the books and records maintained by the Company for the years ended 31st March 2009 and 31st March 2008 and found the same in agreement therewith.

for **KRISHNAN & GIRI**
Chartered Accountants

Chennai
Date : 30th June, 2009

R. Saptagiri
Partner



KUMBHAT FINANCIAL SERVICES LIMITED

KUMBHAT FINANCIAL SERVICES LIMITED
Registered Office : 144, N.S.C. Bose Road, Chennai – 600 079.

PROXY FORM

I/We _____ of _____
being a Member / Members of KUMBHAT FINANCIAL SERVICES LIMITED hereby appoint
_____ of _____ or
failing him _____

for me / us on my / our behalf at the 16th ANNUAL GENERAL MEETING of the said Company to be held on Tuesday, 29th September, 2009 at 09.15 A.M. at Anna Auditorium, ASI Convention Centre, No.18, Swamy Sivananda Salai, Chepauk, Chennai – 600 005, and at any adjournment there of.

Signed this _____ day _____ of '2009

Signature(s) of the Member(s) _____

Folio No. _____



N.B. (i) This proxy must be deposited at the Registered Office of the Company, not latter than 48 hours before the time of the meeting. A proxy need not be a member of the Company. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the Meeting and handover the same at the entrance duly signed.

.....TEAR HERE.....

KUMBHAT FINANCIAL SERVICES LIMITED
Registered Office : 144, N.S.C. Bose Road, Chennai – 600 079.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall hereby record my presence at the 16th ANNUAL GENERAL MEETING at Anna Auditorium, ASI Convention Centre, No.18, Swamy Sivananda Salai, Chepauk, Chennai – 600 005, on Tuesday, the 29th September 2009 at 09.15 A.M.

Name of the Member _____

Folio No. _____

Name of Proxy / Representation (In Block Letter) _____

(To be filled in the Proxy attends instead of the Member)

Signature of the Member / Proxy present _____

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144, N.S.C. Bose Road, Chennai - 600 079.