

**KLK ELECTRICAL
LIMITED**

32nd Annual Report
2012-2013

BOARD OF DIRECTORS

Shri R.Ravi Kumar Rao	Whole time Director
Shri Dattatray Patil	Director
Shri Rajendra V.Naniwadekar	Director
Shri Brijmohan Mandala	Director

Auditors

M/s.Chitta & Associates
Chartered Accountants,
Hyderabad

**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 32nd Annual General Meeting of the members of KLK ELECTRICAL LIMITED will be held on Thursday the 31st December, 2013 at 11.00 A.M. at the Registered Office of the Company, at Old No. 2 , New No.3, Seethammal Colony Extension , 1st Main Road, Teynampet, Chennai 600018 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 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 Rajendra Naniwadekar , who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri BrijMohan Mandala , who retires by rotation and has indicated his inability to continue.
4. 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 and Associates , Chartered Accountants, be and are hereby appointed as the Statutory Auditor of the Company 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 31.03.2014 on a remuneration to be fixed by the board of directors

SPECIAL BUSINESS:

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

“RESOLVED THAT Mr. Rajendra Naniwadekar 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 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.”

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.

R.Ravikumar Rao
Wholetime Director

Place: CHENNAI
Date: 04-12 -2013

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 27th December, 2013 to 31st December, 2013 (both days inclusive).
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.

ANNEXURE TO THE NOTICE

6. EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No.4

The company has received a notice in writing from a member proposing the name of Mr. Rajendra Naniwadekar for appointment as a Director.

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

4.12.2013

Place: CHENNAI

By order of the Board,

For KLK Electrical Ltd

R. Ravi kumar Rao

Whole Time Director

DIRECTORS REPORT

Dear Members,

Your Directors have great pleasure in presenting the 32nd Annual Report of the Company with audited accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS:

Particulars	31-03-2013 (Rs.In Lakhs)	31-03-2012 (Rs.In Lakhs)
Sales	12	34.95
Other Income	Nil	Nil
Profit/(Loss) before Dep.& Tax	-3.46	-18.81
Depreciation	Nil	Nil
Profit/(Loss) after Depreciation	-3.46	-18.81
Provision for Taxation	Nil	Nil
Profit/(Loss) after Tax	-3.46	-18.81
Add: Balance of Loss B/f	-95.67	-76.86
(Loss) Balance C/F to next year	-99.13	-95.67

OPERATIONS:

The Company achieved turnover of Rs.12 Lakhs (Previous Year Rs. 34.95 Lakhs). The turnover declined due to lack of demand.

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:

Due to loss incurred during the year, your directors have not recommended any dividend for the financial year ended 31st March, 2013 to the members.

DIRECTORS:

Mr. Brij Mohan Mandala and Mr. Rajendra Naniwadekar directors of the company retire by rotation and are eligible for reappointment as directors of the company. However Mr. Brij Mohan has expressed his inability to continue. The Board places on record its appreciation for the valuable services rendered by Mr. Brij Mohan Mandala .

AUDITORS:

M/s. Chitta and Associates , Chartered Accountants, retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

AUDITORS REPORT:

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

LISTING STATUS:

The Company's Shares are listed both in Chennai 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:

There are no technical collaboration agreements under implimentation and the company is focusing on inhouse research and development.

3) FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

1. That in the preparation of the Annual accounts, for the financial year ended 31st March, 2013 the applicable accounting standards had been followed along with proper explanations relating to material departures.
2. 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.

3. 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
4. That the Directors had prepared the annual accounts on a going concern basis.

COMPLIANCE CERTIFICATE:

Compliance Certificate as required under provision to Sub-section (1) of Section 383A of Companies Act, 1956 has been obtained from the company secretary, M/s. Lakshmi Subramanian & associates, Chennai .

PERSONNEL:

Particulars of Employees pursuant to Section 217(2A) of the Companies Act, 1956 are not applicable since there was no person was employed in the company during the year who was in receipt of remuneration in excess of the limits specified herein during the period under review.

ACKNOWLEDGEMENTS:

Your Directors would like to express their appreciation for the assistance and continued co-operation extended by the Banks, Government Authorities and Clients during the period under review. Your Directors wish to place on record their deep sense of appreciation for the devotion and sense of commitment shown by the employees at all the level and acknowledge their contribution for its success.

KLK Electrical Limited
Old No.2, New No.3, 1st Main road
Seethammal Colony,
Teynampet Chennai-600 018

By order of the Board,
For KLK Electrical Ltd
R. Ravi kumar Rao
Whole Time Director

AUDIT REPORT TO THE MEMBERS OF KLK ELECTRICAL LIMITED

To

The Members of

K.L.K.ELECTRICAL LIMITED.

We have audited the accompanying financial statements of M/s K.L.K.ELECTRICAL LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENTS RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend

on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. *Opinion*

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Chitta & Associates
Chartered Accountants
FRN: 0094905

Chitta Nageswara Sastry
Proprietor
Membership No. 210531

Place : Hyderabad - 50
Date: 30/5/2013

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of KLK ELECTRICAL LIMITED, on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) in our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) in our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

- (e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses
- (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company have accumulated loss of Rs.28.97 lacs and has incurred cash loss during the financial year covered by our audit Rs.3.44 lacs and Rs.18.78 lacs in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.

15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short- term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

Place : Hyderabad - 50
Date: 30/5/2013

For Chitta & Associates
Chartered Accountants
FRN: 0094905

Chitta Nageswara Sastry
Proprietor
Membership No. 210531

KLK ELECTRICAL LIMITED

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

BALANCE SHEET AS AT MARCH 31, 2013

PARTICULARS	NOTE No.	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	26,500,000	26,500,000
Reserves & Surplus	3	(2,899,409)	(2,553,009)
Non-Current Liabilities			
Current Liabilities			
Short term borrowings		-	15,000
Trade payables		-	-
Other Current liabilities	4	334,090	538,090
TOTAL		23,934,681	24,500,081
NON-CURRENT ASSETS			
FIXED ASSETS			
Intangible Assets	5	5,562,573	5,562,573
Non-Current Investments	6	9,400,001	8,400,001
CURRENT ASSETS			
Trade Receivables	7	8,948,007	7,924,016
Cash and Cash equivalents	8	24,100	2,113,491
Short term Loans & Advances	9	-	500,000
TOTAL		23,934,681	24,500,081

Significant Accounting Policies 1
and Notes on accounts as per our report of even date

Chitta & Associates
Chartered Accountants

FRN:0094905

Chitta Nageswara Sastry,
Proprietor, Mem.No.210531

Place: Chennai

Date:30.05.2013

for and on behalf of the Board of Directors

Rajendra Naniwadekar
Director

R.RaviKumar Rao
Director

KLK ELECTRICAL LIMITED

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

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

PARTICULARS	NOTE No.	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
INCOME			
Revenue from Operations	10	1,200,000	3,495,000
Total		1,200,000	3,495,000
EXPENDITURE			
Employee Cost	11	792,250	916,000
Administrative Expenses	12	754,150	4,459,526
Total		1,546,400	5,375,526
Net Profit/(Loss) for the year		(346,400)	(1,880,526)
Less: Provision for Current Taxation/ FBT		-	-
Net Profit/(Loss) After Tax		(346,400)	(1,880,526)
Add/(Less): Balance Loss b/f from previous year		(9,566,509)	(7,685,983)
Balance Loss Carried to Balance Sheet		(9,912,909)	(9,566,509)
Earnings Per share - Basic		(0.13)	(0.71)
Significant Accounting Policies and Notes on accounts as per our report of even date	1		

Chitta & Associates**Chartered Accountants**

FRN:0094905

Chitta Nageswara Sastry,
Proprietor, Mem.No.210531

Place: Chennai

Date:30.05.2013

for and on behalf of the Board of Directors

Rajendra Naniwadekar
Director

R.RaviKumar Rao
Director

ADDITIONAL INFORMATION DISCLOSED AS PER PART II OF THE COMPANIES ACT 1956

Particulars	31.3.2013	31.3.2012
1. Adjustment to the carrying amount of investments	NIL	NIL
2. Net gain /loss on foreign currency transactions (other than considered as finance cost)	NIL	NIL
3. Value of imports calculated on CIF basis by the Company during the financial year	NIL	NIL
4. Expenditure in foreign currency	NIL	NIL
5. The amount remitted during the year in foreign currencies on account of dividends	NIL	NIL
6. Earnings in foreign exchange	NIL	NIL

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31.3.2013**Note No. 1.****SIGNIFICANT ACCOUNTING POLICIES****a. Accounting Concepts**

The Company follows mercantile system of accounting and recognises income and expenses on accrual basis.

Accounting policies not specifically referred to are consistent with Generally Accepted Accounting Principles as applicable followed in India.

b. 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.

c. 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.

d. 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.

e. Investments

Long term Investments are stated at cost. Decline in value of long term investments, other than temporary is provided for.

f. Inventories

Raw materials, bought out components, consumable stores and spares are valued at cost.

g. Retirement Benefits

As there were no employees in the Company at the year end, no provision for gratuity/ PF has been made in the books of account.

h. Foreign Exchanges Transactions

There are no foreign exchange transactions.

i. Leases

There are no lease transactions entered into by the company so far.

j. Taxation

Provision for current tax, if any, is made in accordance with the provisions of Income Tax Act 1961. Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

Deffered tax is recognised, subject to prudence, if timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more periods.

k. Intangible Assets

Intangible assets in the form of technical know how and drawings are acquired from foreign collaborator and held for manufacture of new products. The cost of the same would be written off uniformly over a period of six years commencing from the year in which the new products using the technical know how are manufactured.

l. Earning Per Share

The Company reports basic and diluted earnings per share in accordance with the Accounting Standard 20.

m. Contingencies

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.

OTHER NOTES ON ACCOUNTS**1. Earnings per share:**

	31.3.2013	31.3.2012
Net Profit/(Loss) after tax (Rs.)	(3,46,400)	(18,80,526)
Weighted Average no. of Shares outstanding (Nos).	26,50,000	18,33,014
Face value per equity share (Rs.)	10.00	10.00
Loss per share (both basic and diluted)	0.13	0.80

2. **Quantitative Information:** As the company has been carrying providing training courses which can not be quantified in any measurable units and hence the quantitative information of the products dealt with by the company is not provided herein.
3. As there were employees in the company during the year, no provision for retirement cum death gratuity is made.
4. Previous year figures have been regrouped/restated wherever necessary to conform to the current year representation.
5. The company has obtained confirmations of balances from all the debtors and creditors.
6. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 Under the Micro, Small & Medium Enterprises Development Act, 2006 (MS & MED) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises (MS&MED).
On the basis of the information and records available with the Company, there are no amounts due to Micro and Small Enterprises as on 31.03.2013.

7. **Other Accounting Standards**

Related Party Transactions: There are no related party transactions during the year.

LIST OF RELATED PARTIES

Related parties with whom transactions have taken place during the year

Key Management Personnel / Individual Relatives

- | | |
|----------------------|--|
| V. Lavakumar | – Chairman (Director Till 29.11.2012) |
| Rajendra Naniwadekar | – Director |

During the year the following transactions were carried out with related parties in the ordinary course of business.

Nature of Transaction	Associated Individuals/Relatives Key Managerial Personnel			
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Transactions during year				
1 Director's remuneration	NIL	NIL	500000	900000
2 Loan Taken	NIL	NIL	NIL	15000
3 Loan Repaid	NIL	NIL	15000	NIL
4 Amount due to related parties	NIL	NIL	NIL	NIL
5 Outstanding balance included in unsecured loan.	NIL	NIL	NIL	NIL

8. **Segment Reporting:** As there was no activity in the Company other than providing computer software sales, there were no items to be reported under segment reporting.
9. **Deferred tax:** In the opinion of the company there is only deferred tax asset, consists of depreciation allowance and the company is not sure of getting the benefit of the same in future and hence the same not recognized.

KLK ELECTRICAL LIMITED

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

	As at 31.3.2013 Rs.	As at 31.03.2012 Rs.
2. (A) SHARE CAPITAL		
(a) Authorised Capital 5,000,000 Equity Shares of Rs.10/- each	50,000,000	50,000,000
(b) Issued and Subscribed Capital 2,650,000 Equity Shares of Rs.10/- each fully paid-up for cash at par	26,500,000	26,500,000
(c) Paid up Share Capital 26,50,000 Equity shares of Rs.10/- each	26,500,000	26,500,000
1 (B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year.		
Number of shares outstanding at the beginning of the year	26,500,000	12,500,000
Shares issued during the year	-	14,00,000
Number of shares outstanding at the end of the year	26,50,000	26,50,000

3. RESERVES & SURPLUS

(a) Capital Reserves	13,500	13,500
(b) Share Premium Reserve	7,000,000	7,000,000
	7,013,500	7,013,500
(c) General Reserves		
Opening Balance	-	-
Closing Balance	-	-
(d) Surplus Balance of loss brought forward	(95,66,509)	(76,85,983)
Add : Loss for the period	(3,46,000)	(18,80,526)
Loss carried forward	(99,12,909)	(95,66,509)
Total	(2,899,409)	(2,553,009)

4. OTHER CURRENT LIABILITIES

Creditors for Expenses	334,090	38,090
Creditors for others	NIL	500,000
Total	334,090	538,090

5. FIXED ASSETS - INTANGIBLES

Particulars of Assets	Gross Block			Depreciation			Net Block	
	As at 01.04.12	Additions	As at 31.3.2013	upto 31.3.12	for the year	upto 31.3.2013	As at 31.3.2012	As at 31.3.2013
Technical knowhow fees	5,562,573	-	5,562,573	-	-	-	5,562,573	5,562,573
Total	5,562,573	-	5,562,573	-	-	-	5,562,573	5,562,573

6. NON CURRENT INVESTMENT

Investments at cost share application money paid to companies	94,00,001	84,00,001
Total	94,00,001	84,00,001

7. TRADE RECEIVABLES

(a) Outstanding for a period exceeding six months from the date they are due for payment		
(1) Secured , considered good	NIL	NIL
(2) Unsecured, considered good	89,48,009	79,24,016
(3) Doubtful	NIL	NIL
Total (A)	NIL	NIL
(b) Others		
(1) Secured , considered good	NIL	NIL
(2) Unsecured, considered good	NIL	NIL
Other Debts	NIL	NIL
Total (b)		
Total	89,48,009	79,24,016

8. CASH AND CASH EQUIVALENTS

(A) Balances with Banks		
(1) Current Account	15,520	21,10,205
(2) Fixed Deposit	NIL	NIL
(B) Cheques, Drafts in hand	NIL	NIL
(C) Cash on hand	8,580	3,286
Total	24,100	2,113,491

9. SHORT TERM LOANS AND ADVANCES

(A) Loans and Advances to related parties	NIL	NIL
(B) Others		
(1) Secured , considered good	NIL	NIL
(2) Unsecured, considered good	NIL	5,00,000
(3) Doubtful	NIL	NIL
Total	NIL	NIL

Loans and advances due by Directors or Officers of the company or by firms or private companies in which any director is a partner or director

NIL NIL

10. REVENUE FROM OPERATIONS

Software development and sales Income	1,200,000	3,495,000
Total	1,200,000	3,495,000

11. Employee benefit expenses

Salaries and Wages	292,250	NIL
Contribution to PF, ESI and other funds	NIL	NIL
Director's Remuneration	500,000	900,000
Sitting Fees for Directors	NIL	16,000
Staff Welfare Expenses	NIL	NIL
Total	792,250	916,000

19. ADMINSTRATIVE EXPENSES

Rent	30,000	NIL
Bank Charges	NIL	2,724
Legal & Consultancy Charges	327,930	4,311,877
including listing/depository/registrar fees		
Repairs & Maintenance	NIL	21,491
Travelling & Conveyance Expenses	65,150	71,998
Postage & Telephone Charges	26,100	5,527
Advertisement Charges	11,550	3,240
Printing & Stationery	21,330	4,579
Office Maintenance	10,000	10,000
Auditor's Remuneration for Statutory Audit	28,090	28,090
Purchases	234,000	NIL
Total	754,150	4,459,526

Chitta & Associates**Chartered Accountants**

FRN:0094905

Chitta Nageswara Sastry,
Proprietor, Mem.No.210531

Place: Chennai

Date:30.05.2013

for and on behalf of the Board of Directors

Rajendra Naniwadekar
Director**R.RaviKumar Rao**
Director

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KLK ELECTRICAL LIMITED

Old No,2,New No.3, 1st Main Road, Seethammal Colony, Teynampet, Chennai-600 018

ATTENDANCE SLIP FOR THIRTYSECOND 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. :

No. of Shares held :

I hereby record my presence at the Thirty Second Annual General Meeting of the Company held on the 31st December 2013 at 11.A.M. at Old No.2,New No.3, 1st Main Road,Seethammal Colony,Teynampet, Chennai-600 018

Signature of the Shareholder or Proxy

.....

PROXY

KLK ELECTRICAL LIMITED

Old No,2,New No.3, 1st Main Road, Seethammal Colony, Teynampet, Chennai-600 018

Master Folio No.

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 Thirty Second Annual General Meeting of the Company to be held on 31st December 2013 at 11 A.M. at Old No.2,New No.3, 1st Main Road, Seethammal Colony,Teynampet, Chennai-600 018

Signed day of 2013

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.

Affix a 1 Rupee Revenue Stamp
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If undelivered Please Return to :

KLK ELECTRICAL LIMITED

Old No,2,New NO.3, 1st Main Road,
Seethammal Colony, Teynampet,
CHENNAI - 600 018

Ph :

Cell :