

KLG STOCK BROKERS PRIVATE LIMITED

4th ANNUAL REPORT

2013-2014

ANNUAL GENERAL MEETING

Date: September 09, 2014

Day: Tuesday

Time: 4.15 p.m.

Place: SKIL House,
209, Bank Street Cross Lane,
Fort, Mumbai – 400 023

INDEX

Notice

Directors' Report

Compliance Certificate

Auditors' Report

Financial Statements

BOARD OF DIRECTORS

Mr. Nilesh Mehta Director

Mr. Milan Mandani* Director

Mr. Hemendra Singh** Director

*Appointed w.e.f. March 05, 2014

**Resigned w.e.f. March 05, 2014

AUDITORS

M/s. NBS & Co.,

Chartered Accountants,

Mumbai

BANKERS

HDFC Bank Limited

REGISTERED AND CORPORATE OFFICE

SKIL House,

209, Bank Street Cross Lane,

Fort, Mumbai – 400 023

Ph. No. 022 – 6619 9000

KLG STOCK BROKERS PRIVATE LIMITED

Registered Office: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023

CIN: U74120MH2010PTC207363; Tel: 022-6619 9000; Fax: 022-2269 6024;

E-mail: company.secretary@klgcapital.com

NOTICE

NOTICE is hereby given that the Fourth Annual General Meeting of the Members of KLG Stock Brokers Private Limited will be held on Tuesday, September 30, 2014 at 12.30 p.m. SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023, to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. NBS & Co., Chartered Accountants, Mumbai, bearing ICAI Firm Registration No. 110100W, the retiring Auditors of the Company, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such terms, conditions and remuneration as may be determined by the Board of Directors of the Company.”

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the section 149, 152 and 161 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder read with Schedule IV to the Act, Mr. Milan Mandani, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. March 05, 2014 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice under section 160 of the Companies Act, 2013 in writing proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company.”

By Order of the Board of Directors

Place: Mumbai

Date: August 14, 2014

Registered Office:

SKIL House,

209, Bank Street Cross Lane,

Fort, Mumbai - 400 023

Sd/-

Milan Mandani

Director

KLG STOCK BROKERS PRIVATE LIMITED

Registered Office: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023

CIN: U74120MH2010PTC207363; Tel: 022-6619 9000; Fax: 022-2269 6024;

E-mail: company.secretary@klgcapital.com

NOTE:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES 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 Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of the special business to be transacted at the AGM, is annexed hereto.

KLG STOCK BROKERS PRIVATE LIMITED

Registered Office: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023

CIN: U74120MH2010PTC207363; Tel: 022-6619 9000; Fax: 022-2269 6024;

E-mail: company.secretary@klgcapital.com

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 and the Rules made thereunder, sets out all material facts relating to business mentioned in the accompanying Notice dated August 14, 2014:

Mr. Milan Mandani has been appointed as an Additional Director of the Company with effect from March 05, 2014, who holds office up to the date of ensuing AGM in terms of section 161 of the Companies Act, 2013.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a Member proposing the appointment of Mr. Milan Mandani as a director of the Company.

The Board recommends passing of Resolution No. 3 as contained in the Notice for the approval by the Members as Ordinary Resolution.

Mr. Milan Mandani, being an appointee, is interested in the resolution concerning their own appointment. Except them, none of the Directors of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Fourth Annual Report together with the Audited Accounts for the financial year ended March 31, 2014.

FINANCIAL RESULTS

The performance of your Company for the financial year ended March 31, 2014, as compared to the previous year is summarised below:

	(Amount in Rs.)	
Particulars	March 31, 2014	March 31, 2013
Total Income	176	-
Less: Total Expenditure	97,815	99,140
Loss before Tax	(97,639)	(99,140)
Less: Provision for Tax	-	-
Loss after Tax	(97,639)	(99,140)
Balance carried to Balance Sheet	(258,026)	(160,387)

REVIEW OF OPERATIONS

The Company has been admitted as a Deposit Based Trading Member of Cash Segment and Equity Derivatives Segment of BSE Limited but the Company is yet to commence the business. During the year under review, the Company has incurred loss of Rs. 97,639 as against loss of Rs. 99,140 during the previous financial year.

DIVIDEND

Since the Company has incurred losses during the year under review, the Directors do not recommend dividend.

DIRECTORS

During the year, Mr. Milan Mandani was appointed as an Additional Director of the Company with effect from March 05, 2014 and he hold office in such capacity upto the date of ensuing AGM. The appointment of Mr. Milan Mandani as Director is to be confirmed by the Members at the ensuing AGM. The Board thereby recommends to the Members the appointment of Mr. Milan Mandani as a Director of the Company.

Mr. Hemendra Singh resigned from the Directorship of the Company with effect from March 05, 2014. The Board places on record its appreciation for the contribution made by Mr. Hemendra Singh during his tenure as a Director of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual accounts for the financial year ended March 31, 2014, the applicable accounting standards have been followed alongwith proper explanation relating to the material departures;
- b) the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the loss of the Company for the year ended on that date;
- c) proper and sufficient care has been taken 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;
- d) the annual accounts have been prepared on a going concern basis.

AUDITORS

M/s. NBS & Co., Chartered Accountants, Statutory Auditors of the Company, bearing ICAI Registration No. 110100W, retire at the conclusion of ensuing AGM and are eligible for re-appointment. As required under the provisions of section 224(1B) of the Companies Act, 1956, the Company has obtained written certificate from the retiring auditors to the effect that their re-appointment, if made, would be within the limits prescribed under the said Act.

AUDITORS' REPORT

The Auditors' Report to the Members on the Accounts of the Company for the financial year ended March 31, 2014, is self explanatory.

DEPOSITS

During the financial year under review, the Company has not accepted any deposits from the public and hence there are no outstanding deposits as on March 31, 2014.

COMPLIANCE CERTIFICATE

The Compliance Certificate for the financial year ended March 31, 2014, pursuant to section 383A of the Companies Act, 1956, issued by M/s. Aashish K. Bhatt & Associates, Practising Company Secretaries, forms part of this Report.

PARTICULARS OF EMPLOYEES

During the financial year under review, none of the employees of the Company are covered under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Amendment Rules, 2011.

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

Considering the nature of business of the Company, there are no particulars to be disclosed in respect of conservation of energy and technology absorption as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988. There are no Foreign Exchange Earnings and Outgo during the year ended March 31, 2014.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude for the continuing support of Members, Employees, Bankers and various other agencies.

By Order of the Board of Directors

Place: Mumbai
Date: August 14, 2014

Sd/-
Milan Mandani
Director

Sd/-
Nilesh Mehta
Director

INDEPENDENT AUDITOR'S REPORT

To the Members of **KLG Stock Brokers Private Limited**,

I. Report on the Financial Statements

We have audited the accompanying financial statements of **KLG Stock Brokers Private Limited** which comprise the Balance Sheet as at March 31, 2014, 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.

II. Management's 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. 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.

III. Auditor's 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.

IV. 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, 2014;

(b) in the case of the Profit and Loss Account, of the 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.

V. Report on Other Legal and Regulatory Requirements

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, is not applicable to the company.

2. As required by section 227(3) of the Act, we report that:

- 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;
- 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;
- 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
- 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;

- On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section(1) of section 274 of The Companies Act, 1956.
- Since the central government has not issued any notification as to the rate at which the cess is to be paid under section 441A of The Companies Act, 1956 nor has it issued any rules under the said section, prescribing the manner in which such cess is to be paid, the cess is due and payable by the company.

For NBS& Co.
Chartered Accountants
Firm Reg.No.110100W

Sd/-
Devdas Bhat.
Partner
Membership No. 48094

Place : Mumbai
Date : 30th May 2014.

ANNEXURE TO AUDITORS REPORT

Annexure referred to in paragraph 1 of the auditor's report to the members of **KLG Stock Brokers Private Limited** for the year ended 31st March, 2014.

As required by the companies (Auditor Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

(i)(a) The Company did not hold any fixed assets during the above mentioned financial year.

(b) In view of our comments in Para (i) (a) above, clauses 4 (i) (b) and (c) of the said order are not applicable to the Company.

(ii)(a) The Company does not own any inventory during the above mentioned financial year.

(b) In view of our comments in Para (ii) (a) above, clauses 4 (ii) (b) and (c) of the said order are not applicable to the Company.

(iii)(a) According to the information and explanations given to us the Company has not granted any loans secured or unsecured to parties covered in the register maintained under section 301 of the Companies Act, 1956.

(b) In view of our comments in Para (iii) (a) above, clauses 4 (iii) (b) (c) and (d) of the said order are not applicable to the Company.

(c) During the year Company has not taken any loans secured or unsecured from parties covered in the register maintained under section 301 of the Companies Act, 1956.

(d) In view of our comments in para (iii) (c) above, clause (iii) (f) and (g) of the said order is not applicable to the Company

(iv) According to information and explanations given to us there are adequate internal control systems commensurate with the size of the Company and the nature of its business. During the course of our audit no major weakness has been observed in the internal control system.

(v)(a) The transactions made in pursuance of contract or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 has been recorded in the register.

- (b)** According to the information and explanations given to us transactions with parties with whom transactions exceeding the value of Rupees Five Lacs have been entered into during the financial year are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
- (vi)** The Company has not accepted any deposits from the public within the meaning of the sections 58A, 58AA or any other relevant provision of the Act and the rules framed there under any directives report issued by the Reserve Bank of India. No order in relation thereto has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii)** Internal Audit is not applicable to the Company. Hence Clause 4 (vii) is not applicable.
- (viii)** The Central Government has not prescribed for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the Company.
- (ix)(a)** According to the records of the Company, the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty, Cess have regularly deposited with the appropriate authorities. There are no undisputed amount payable in respect of such statutory which have remained outstanding as at 31st March, 2014 for a period more than six months from the date they became payable.
- (b)** There are no amount in respect of any disputed income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess.
- (x)** The Company has not commenced commercial operation during the year. Hence there is no accumulated loss and it has not incurred cash losses in current financial year.
- (xi)** In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of its dues to banks and financial institutions.
- (xii)** In our opinion and according to the information and explanations given to us the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii)(a)** The provisions of any Special Statute applicable to Chit Fund, Nidhi Fund or Mutual Benefit Fund/Societies are not applicable to the Company.
- (b)** In view of our comments in Para (xiii) (a) above, clauses 4 (xiii) (b) (c) and (d) of the said order are not applicable to the Company.

(xiv) Company has not commenced commercial operation during the year. Hence this clause is not applicable.

(xv) In our opinion and according to the information and explanations given to us the Company has not given any guarantee for loan taken by others from banks and financial institutions.

(xvi) The Company has not taken any term loan during the year.

(xvii) In our opinion and according to the information and explanations given to us and on an overall examination the Balance Sheet of the Company, we report that no fund raised on short term basis have been used for long term investment.

(xviii) During the year the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) The Company has not issued any debentures during the year.

(xx) The Company has not raised any money by way of public issue during the year.

(xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year that causes the financial statement to be materially misstated.

For NBS& Co.
Chartered Accountants
Firm Reg.No.110100W

Sd/-
Devdas Bhat.
Partner
Membership No. 48094

Place : Mumbai
Date :30th May 2014.

KLG Stock Brokers Private Limited

BALANCE SHEET AS AT MARCH 31, 2014				
Particulars	Note No.	Current Year		Previous Year
		Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
I EQUITY & LIABILITIES				
(1) SHAREHOLDERS' FUNDS				
Share Capital	2	3,600,000		3,600,000
Reserves and Surplus	3	<u>(258,026)</u>	3,341,974	<u>(160,387)</u> 3,439,613
(2) NON-CURRENT LIABILITIES				
(3) CURRENT LIABILITIES				
Trade Payables	4	-		-
Other Current Liabilities	5	16,854		11,236
Short Term Provisions		<u>-</u>	16,854	<u>-</u> 11,236
TOTAL			<u>3,358,828</u>	<u>3,450,849</u>
II ASSETS :				
(1) NON-CURRENT ASSETS				
Long Term Loan and Advances	6		3,100,000	3,100,000
Other Non-Current Assets	7		157,832	236,748
(2) CURRENT ASSETS				
Current Investments		-		-
Cash and Cash Equivalents	8	100,996		108,187
Short Term Loans & Advances	9	<u>-</u>	100,996	<u>5,914</u> 114,101
TOTAL			<u>3,358,828</u>	<u>3,450,849</u>
Significant Accounting Policies	1			
Notes on Financial Statements	2 to 17			

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.

Chartered Accountants

Firm Reg.No.110100W

For and on behalf of the Board of Directors

Sd/-

Devdas Bhat

Partner

Membership No. 48094

Sd/-

Milan Lalit Mandani

(Director)

Sd/-

Nilesh Mehta

(Director)

Place: Mumbai

Date : May 30, 2014

KLG Stock Brokers Private Limited

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Note No.	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
Revenue from Operations		-	-
Other Income	10	176	-
Total Revenue		176	-
Expenditure			
Depreciation and amortisation expenses		78,916	78,916
Other Expenses	11	18,899	20,224
Total Expenses		97,815	99,140
(Profit/(Loss) before Exceptional and Extraordinary Items and Tax)		(97,639)	(99,140)
Exceptional Items		-	-
Profit/(Loss) before Extraordinary Items and Tax		(97,639)	(99,140)
Extraordinary Items		-	-
Profit/(Loss) before Tax		(97,639)	(99,140)
Tax Expenses			
- Current Tax		-	-
- Deferred Tax		-	-
Profit/(Loss) for the period from Continuing Operations		(97,639)	(99,140)
Profit/(Loss) for the period from Discontinuing Operations		-	-
Tax Expenses of Discontinuing Operation		-	-
Profit/(Loss) for the period from Discontinuing Operations (After Tax)		-	-
Profit/(Loss) for the period		(97,639)	(99,140)
Earnings per share (Basic and Diluted)		(0.27)	(0.28)
(Refer Note No.16)			
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 17		

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.

Chartered Accountants

Firm Reg.No.110100W

For and on behalf of the Board of Directors

Sd/-

Devdas Bhat

Partner

Membership No. 48094

Sd/-

Milan Lalit Mandani

(Director)

Sd/-

Nilesh Mehta

(Director)

Place: Mumbai

Date : May 30, 2014

KLG Stock Brokers Private Limited

Statement of Cash Flows for the year ended March 31,2014

Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
A) Cash flow from operating activities		
Net profit after tax & extraordinary items	(97,639)	(99,140)
Adjustment for:		
Depreciation and Amortisation Expenses	78,916	78,916
Dividend Income	-	-
Profit on Sale of Fixed Assets	-	-
Operating Profit before working capital changes	(18,723)	(20,224)
Adjustment for working capital Changes		
(Increase)/Decrease in Trade Receivables	-	-
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Short term Loans and Advance	5,914	-
(Increase)/Decrease in Long term Loans and Advance	-	(3,000,000)
Increase/(Decrease) in Trade and Other Payable	5,618	206
Increase/(Decrease) in Provisions	-	-
Cash generated from Operations	(7,191)	(3,020,018)
Direct taxes	-	-
Cash flow before extraordinary items	(7,191)	(3,020,018)
Extraordinary items	-	-
Cash flow from operating activities	(7,191)	(3,020,018)
(A)		
B. Cash flow from Investing activities		
Purchase of Fixed Assets	-	-
Sales of Fixed Assets	-	-
Preliminary Expenditure	-	-
Purchase of Investments-Long Term	-	-
Purchase of Investments-Short Term	-	-
Purchase of Investments-Subsidiary	-	-
Dividend Income	-	-
Sale of Investment	-	-
Net cash used in Investment activities	-	-
(B)		
C. Cash flow from Financing activities		
Increase/(Decrease) in Term Loan (Net of Repayment)	-	-
Increase/(Decrease) in Unsecured Loan (Net of Repayment)	-	-
Proceeds from issue of Share Capital	-	-
Share Application Money Received	-	-
Dividend Paid (Net)	-	-
Net cash used in financing activities	-	-
(C)		
Net increase / decrease in cash and cash equivalents	(7,191)	(3,020,018)
(A+B+C)		
Cash & cash equivalents as at April 1, 2013 (opening balance) cash in hand & balance with banks	108,187	3,128,205
Cash & cash equivalents as at March 31, 2014 (closing balance) cash in hand & balance with banks	100,996	108,187
Note: Figures in brackets represent outflows		
AS PER OUR REPORT OF EVEN DATE	For and on behalf of the Board of Directors	
For NBS & Co.		
Chartered Accountants		
Firm Reg.No.110100W		
Sd/-	Sd/-	Sd/-
Devdas Bhat	Milan Lalit Mandani	Nilesh Mehta
Partner	(Director)	(Director)
Membership No. 48094		
Place: Mumbai		
Date : May 30, 2014		

KLG Stock Brokers Private Limited

NOTES ON FINANACIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014				
Particulars	Current Year		Previous Year	
	Amount(Rs.)		Amount(Rs.)	
NOTE NO. 2 - SHARE CAPITAL				
(a) Authorised				
35,00,000 Equity Shares of Rs.10/- each (Previous Year 35,00,000)	35,00,000		35,00,000	
(b) Issued,Subscribed and paid up				
3,60,000 Equity Shares of Rs.10/- Each (Fully Paid up) (Previous Year 3,50,000)	3,60,000		3,60,000	
	<u>3,60,000</u>		<u>3,60,000</u>	
(c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting Period.				
	Current Year		Previous Year	
	No. of Shares		No. of Shares	
Equity Shares at the beginning of the year	3,60,000		3,50,000	
Add: Issue of Shares during the year	-		100,000	
No. of Shares at the end of the year	<u>3,60,000</u>		<u>3,60,000</u>	
(d) Details of Shareholder Holding More than 5 %				
	Current Year		Previous Year	
Equity Shares Held by	No. of Shares	% of Holding	No. of Shares	% of Holding
Holding Company:				
-K L G Capital Services Limited	360,000	100%	360,000	100%
NOTE NO. 3 - RESERVE AND SURPLUS				
	Current Year		Previous Year	
	Amount (Rs.)		Amount (Rs.)	
(a) Profit & Loss Account				
Balance as per last Balance Sheet	(160,387)		(61,247)	
Add: Profit & Loss during the Year	(97,639)		(99,140)	
Less: Transfer to Statutory Reserve account	-		-	
	<u>(258,026)</u>		<u>(160,387)</u>	
Total	<u>(258,026)</u>		<u>(160,387)</u>	

KLG Stock Brokers Private Limited

Notes forming part of the Balance Sheet as at March 31, 2014		
Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
NOTE NO. 4 - TRADE PAYABLES		
The Company does not have in its records any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any relating to amounts unpaid at the year end together with interest paid/payable as required under the said Act have not been furnished.		
NOTE NO. 5- OTHER CURRENT LIABILITIES		
Creditors For Expenses	16,854	11,236
	16,854	11,236
NOTE NO.6- LONG TERM LOANS & ADVANCES		
Rent Deposit	3,000,000	3,000,000
Membership Deposit	100,000	100,000
	3,100,000	3,100,000
NOTE NO. 7 - OTHER NON-CURRENT ASSETS		
Preliminary Expenses and Preoperative Expenses	157,832	236,748
	157,832	236,748
NOTE NO. 8 - CASH AND CASH EQUIVALENTS		
(a) Cash on hand	6,100	6,100
(b) Balance with Scheduled Banks		
-On Current Account	94,896	102,087
-On Deposit Accounts	-	-
	100,996	108,187
NOTE NO.9- SHORT TERM LOANS & ADVANCES		
(a) (i) Advance recoverable in cash or in kind for value to be received (Unsecured & Considered Good)		
-Related Parties	-	-
-Others	-	-
	-	-
(ii) TDS Recievable	-	5,914
	-	5,914
NOTE NO. 10 - OTHER INCOME		
Interest on Income Tax Refund	176	-
	176	-
	-	-
NOTE NO.11 - OTHER EXPENSES		
(a) ADMINISTRATIVE AND GENERAL EXPENSES		
Payment to Auditors		
- Audit Fees	11,236	11,236
- Tax Audit Fees	-	-
- Certification/other Charges	-	-
- Other matters	-	206
	11,236	11,442
Filing Fees	2,045	2,040
Processing Fees	-	1,124
Professional Fees	5,618	5,618
TOTAL	18,899	20,224

KLG Stock Brokers Private Limited

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

NOTE NO : 1

SIGNIFICATION ACCOUNTING POLICES

a. Basis of preparation of Accounts

The financial statements are prepared on accrual basis, following the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP), which are consistently adopted by the Company, and in compliance with the Accounting Standard issued by the Institute of Chartered Accountants of India and provisions of the Companies Act 1956, to the extent applicable.

b. Use of Estimates

The presentation of financial statements in conformity with GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Any differences between the actual results and the estimates are recognized in the period in which the results are known / materialized.

c. Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any.

d. Revenue Recognition

Interest incomes are accounted on accrual basis.

e. Employee Benefits

01. Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account for the year in which the related service is rendered.

02. Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and loss in respect of post employment and other long term benefits are charged to the profit and loss account.

f. Retirement Benefits

Company has policy of making provision for retirement benefits as and when the liability arises.

g. Provision for Current and Deferred Tax.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "time differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on Balance Sheet date. The effect of deferred tax asset & liabilities of a change in tax rates is recognised in the profit & loss account in the year of change.

KLG Stock Brokers Private Limited

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

NOTE NO. 12- RELATED PARTY DISCLOSURE:

List of Related Parties where control exists and related parties with whom transaction have taken place and relationships:

01. Holding Company

KLG Capital Services Limited

02. Key Management Personal

Milan Lalit Mandani (Director)

03. Ultimate holding Company

Awita Properties Pvt. Ltd.

Disclosure of Related party Transactions between the Company and related parties for the year ended March 31, 2014

	As At 31 March 2014 (Amount in Rs.)	As At 31 March 2013 (Amount in Rs.)
i) Holding Company		
Loan Taken	-	-
Loan Repaid	-	-
Closing Balance	-	-
ii) Ultimate holding Company		
Rent Free Deposit	3,000,000	3,000,000
	-	-

NOTE NO. 13 -DIRECTOR'S REMUNERATION

No remuneration has been paid to any of the directors.

NOTE NO. 14 -FOREIGN CURRENCY TRANSACTIONS

There is no income or expenditure in foreign currency during the year.

KLG Stock Brokers Private Limited

NOTE NO. 15

Management has policy of making provision of leave encashment on accrual basis as per 'AS 15 regarding Retirement benefits.

NOTE NO. -16 EARNINGS PER SHARE

Particulars	As At 31 March 2014 (Amount in Rs.)	As At 31 March 2013 (Amount in Rs.)
Net Profit/(Loss) After Tax available for Equity Shareholders	(97,639)	(99,140)
Weighted Average Number of Equity Shares of Rs.10/- each outstanding during the year	360,000	351,411
Basic/Diluted Earning Per Share Rs.	(0.27)	(0.28)

NOTE NO. 17

a. Figures are rounded off to nearest rupees.

b. In the opinion of the Management current assets, advances are approximately of the value stated if realized in the ordinary course of business except otherwise stated.

c. Previous year figures have been regrouped or rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE

**For NBS & Co.
Chartered Accountants
Firm Reg.No.110100W**

For and on behalf of the Board of Directors

Sd/-
Devdas Bhat
Partner
Membership No. 48094

Sd/-
Milan Lalit Mandani
(Director)

Sd/-
Nilesh Mehta
(Director)

**Place: Mumbai
Date : May 30, 2014**