

K L G CAPITAL SERVICES LIMITED

17th
ANNUAL REPORT
2010 - 2011

BOARD OF DIRECTORS

Mr. Hemendra Singh	Whole Time Director
Mr. Nikhil Gandhi	Director
Mr. S. S. Thakur	Director
Mr. B. G. Daga	Director
Mr. Jitendra Sanghavi	Director
Mr. Nilesh Mehta	Director

Company Secretary

Ms.Sarita Khamwani (Appointed w.e.f. July 25, 2011)

BANKERS

HDFC Bank Ltd.,
Branch Fort,
Mumbai – 400 023.

Central Bank of India,
Corporate Finance Branch,
Fort, Mumbai – 400 023.

AUDITORS

M/s NBS & Co.,
Chartered Accountants,
Mumbai.

REGISTERED & CORPORATE OFFICE

SKIL House,
209, Bank Street Cross Lane,
Fort, Mumbai- 400023.

REGISTRAR & SHARE TRANSFER AGENT

M/s Link Intime India Pvt. Ltd.
A-40, 2nd Floor, Naraina Industrial Area,
Phase – II, New Delhi – 110028.
Phones: 011- 41410592 – 94
Fax No.: 91-011-41410591
Email: delhi@linkintime.co.in

ANNUAL GENERAL MEETING	
DATE	: September 29, 2011
DAY	: Thursday
TIME	: 4.00 P.M.
PLACE	: Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400001.

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NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the members of K L G Capital Services Limited will be held on Thursday, September 29, 2011 at 4.00 p.m. at Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400001, to transact the following businesses:-

ORDINARY BUSINESS:

- 1) To receive, consider, approve and adopt the Audited Balance Sheet as on March 31, 2011 and the Profit & Loss Account for the financial year ended on that date and also the Reports of the Board of Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mr. S. S. Thakur, who is liable to retire by rotation and being eligible, offers himself for re-appointment.
- 3) To appoint a Director in place of Mr. B. G. Daga, who is liable to retire by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint M/s **NBS & Co.**, Chartered Accountants, as the Statutory Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

By Order of the Board of Directors

Hemendra Singh
Whole Time Director

Place : New Delhi
Date : August 31, 2011

Registered Office:
SKIL House, 209,
Bank Street Cross Lane,
Fort, Mumbai- 400023.

Notes:

- 1) **MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) The proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 3) If the appointer is a Corporation, the proxy must be executed under its seal or under the hand of its duly authorized officer or attorney.
- 4) The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, September 27, 2011 to Thursday, September 29, 2011 (both days inclusive) for the purpose of 17th Annual General Meeting.
- 5) The members are requested to:
 - a) intimate to the Company (for shares held in physical form) and to their Depository Participant (DP) (for shares held in Dematerialised form) the changes, if any, in their registered address, ECS / Bank account number/details, etc. at an early date;
 - b) quote ledger folio numbers/DP Identity and Client Identity Numbers in all their correspondence;
 - c) approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - d) bring their copies of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting; and
 - e) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company Secretary, so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.

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Details of Directors seeking re-appointment in the Seventeenth Annual General Meeting to be held on September 29, 2011, pursuant to requirement of Clause 49 of Listing Agreement.

Director	Mr. S. S. Thakur	Mr. B. G. Daga
Designation	Independent Director	Independent Director
Date of Birth	August 26, 1929	January 5, 1943
Date of Appointment	June 19, 2008	June 19, 2008
Functional Expertise	<ul style="list-style-type: none"> ● Banking and Foreign Exchange ● Ex- Controller of Foreign Exchange, Reserve Bank of India ● Founder Chairman of HDFC Bank ● Senior Adviser of United Nations Development Programme (UNDP) 	<ul style="list-style-type: none"> ● Valuation of business ● Equity and Asset Management ● Banking ● Investment Advisory Services ● Management of Stock Exchange Depositories
Qualification	M. Com. , CAIIB	<ul style="list-style-type: none"> ● Masters in Commerce ● Corporate Secretary from the Corporation of Secretaries, London ● Diploma of International Accountants, London ● Diploma in Banking and Cooperation of Indian Institute of Bankers ● Government Commercial Diploma of Government of Maharashtra
Directorships in other Companies	<ol style="list-style-type: none"> 1. Shrenuj and Company Limited 2. Kotak Mahindra Old Mutual Life Insurance Limited 3. Kamat Hotels (India) Ltd. 4. HDFC Securities Limited 5. Urban Infrastructure Venture Capital Limited 6. KEC International Limited 7. MCX Stock Exchange Limited 8. Responsive Industries Limited 9. DSP BlackRock Trustee Private Limited 10. Quantum Information Services Private Limited 11. Quantum Advisors Private Limited 12. Harirani Investment and Trading Private Limited 13. Equitymaster Agora Research Private Limited (Alternate Director) 	<ol style="list-style-type: none"> 1. Spicebulls Investments Limited 2. Wall Street Finance Limited 3. Mumbai Vaish Seva Sansthan 4. Vishwakaram Kaushal Kendra
Chairman / member of the committee of other companies on which he is a director	<ol style="list-style-type: none"> 1. HDFC Securities Limited 2. Shrenuj & Co. Limited 3. Kotak Mahindra Old Mutual Life Insurance Co. Limited 4. KEC International Limited 5. Kamat Hotels (India) Limited 6. Responsive Industries Limited 	<ol style="list-style-type: none"> 1. Spicebulls Investments Limited 2. Wall Street Finance Limited
Shareholding in the Company as on March 31, 2011	NIL	NIL

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DIRECTORS' REPORT

To
The Members
K L G Capital Services Limited

Your Directors have pleasure in presenting 17th Annual Report, together with the Audited Accounts for the year ended March 31, 2011.

FINANCIAL HIGHLIGHTS

The salient features of the Company's financial results for the year under review as compared with the figures of the previous year are as follows:

Rs. In Lacs

Particulars	March 31, 2011	March 31, 2010
Net Income	706.58	50.17
Less: expenditure	480.11	8.37
Profit before Depreciation and Tax	226.47	41.80
Less: Depreciation	Nil	Nil
Profit before Tax	226.47	41.80
Less: Current Tax	150.00	13.00
Profit after Tax for the year	76.47	28.80

DIVIDEND

With a view to conserve resources, the Directors do not recommend any dividend for the year under review.

REVIEW OF OPERATIONS

The Company has total income of Rs. 706.58 Lacs during the year under review as compared to Rs. 50.17 Lacs for the previous year and the company has made a profit after tax of Rs. 76.47 as compared to a profit of Rs. 28.80 Lacs during the previous year.

REGISTERED OFFICE OF THE COMPANY

During the year under review, your company has received permission under section 17 of the Companies Act, 1956 from the Company Law Board, New Delhi Bench, for shifting the Registered Office of the Company from Delhi to the State of Maharashtra. The registered office of the Company was shifted from C-11, 2nd floor, Qutub Institutional Area, New Delhi 110 016 to SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai- 400023 in the State of Maharashtra, w.e.f May 03, 2011.

SUBSIDIARY COMPANY

During the year under review, your Company has incorporated a wholly owned subsidiary company namely M/s. KLG Stock Brokers Private Limited on September 1, 2010 to carry on the business of share and stock brokers.

The Company has received Deposit Based Trading Membership of Cash Segment and Trading Membership of Equity Derivatives Segment of the BSE and also received the SEBI Registration Certificate for the registration of said membership in Cash and Equity Derivative Segments.

As per the provisions of Section 212 of the Companies Act, 1956, the Holding Company is required to attach the Balance Sheet, Profit and Loss Account, Directors' Report, Statement of Holding Company's interest in the subsidiary and report of Auditors on Subsidiary Company's Accounts. All the details as aforesaid pertaining to the Subsidiary Company forms part of this Annual Report.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, Mr. S.S. Thakur and Mr. B. G. Daga, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

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Brief resume of the Directors proposed to be re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold Directorships and Memberships/ Chairmanships of Committees, are provided in the Notice of Annual General Meeting annexed to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217(2AA) of the Companies Act, 1956, the Directors would like to state that:

- 1) in the preparation of the annual accounts for the financial year ended March 31, 2011, the applicable accounting standards have been followed along with proper explanation relating to the material departures;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- 3) the Directors have 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;
- 4) the Directors have prepared the annual accounts on a going concern basis.

AUDITORS

M/s NBS & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and have expressed their willingness to act as statutory Auditors of the Company for the financial year 2011-12, if appointed, and have further confirmed that the said appointment would be in conformity with the provision of Section 224(1B) of the Act.

AUDITORS' REPORT

The Auditor's Report submitted by M/s NBS & Co., Statutory Auditors of the Company, for the financial year ended March 31, 2011, to the Members does not contain any reservations, qualification or adverse remark.

AUDIT COMMITTEE

Pursuant to the provisions of Section 292A of the Companies Act, 1956, an Audit Committee of the Board comprises of Mr. B. G. Daga (Chairman of the Audit Committee), Mr. S. S. Thakur and Mr. Nilesh Mehta. The Audit Committee has reviewed the Annual Accounts for the year ended March 31, 2011 enclosed with this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis on the operations of the Company is provided in a separate section and it forms part of this report.

CORPORATE GOVERNANCE

The Company has been following the principles and practices of good Corporate Governance and has ensured due compliance of the requirements stipulated under clause 49 of the Listing Agreement with the Stock Exchange. A separate report on Corporate Governance and Practising Company Secretary's Certificate regarding compliance of conditions of Corporate Governance, forms a part of this Report.

RBI COMPLIANCES

The Company has followed the guidelines of the Reserve Bank of India with regard to prudential norms, acceptance of deposits, capital adequacy and other norms stipulated from time to time and as applicable to non- deposit taking NBFC's.

LISTING AGREEMENT

The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd. and listing fee has been paid for the year 2011- 12. The Company has duly complied with various requirements and compliances under various clauses of Listing Agreement from time to time, as required by the listed company.

DEPOSITS

The Company has not accepted any deposits from the public during the financial year 2010-11 and hence there are no outstanding deposits as on March 31, 2011.

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BUY BACK

No shares of the Company were bought back during the financial year 2010-11

COMPLIANCE CERTIFICATE:

The certificate as required under Section 383A of the Companies Act, 1956, given by M/s. Aashish K. Bhatt & Associates, Practising Company Secretary, 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) Rules, 1975.

HUMAN RESOURCES

Employees are the most precious asset of the Company. The Company successfully created work environment that boosts innovation and meritocracy. The personnel relations of the Company remained cordial during the year.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988, relating to conservation of energy, technology absorption is not applicable to the Company.

There were no Foreign Exchange Earnings and Outgo during the financial year ended March 31, 2011.

CORPORATE SOCIAL RESPONSIBILITY

The Company proposes to be a part of the 'Green Initiative in Corporate Governance' programme introduced by the Ministry of Corporate Affairs vide Circulars 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011, respectively, whereby Companies are permitted to send Notices/documents including Annual Report, etc. in electronic mode. This will reduce paper consumption to a great extent and allow shareholders to contribute towards a Greener Environment.

In this regard, a letter is enclosed with this Annual Report giving an advance opportunity to every shareholder to register their email address (and changes therein from time to time) with the Company so that the documents can be sent to them in the electronic mode. The Company hereby requests its shareholders to be part of this "Green Initiative".

ACKNOWLEDGEMENT

Your Directors thank all the employees of the Company, the Banker, the Clients, Vendors and Governmental Authorities for their support during the year under review and look forward to their continued support in the future.

For and on behalf of the Board of Directors

Date : May 30, 2011
Place : Mumbai

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

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CORPORATE GOVERNANCE REPORT

In compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange, a report on Corporate Governance is set out below.

1. A statement on company's philosophy on the code of corporate governance:

The Company's philosophy on Corporate Governance envisages working towards higher levels of transparency, empowerment, accountability, safety of people and environment, motivation, consistent value systems, respect for law and fair business practices with all its stakeholders. The Company upholds these values and ensures their protection.

2. Board of Directors:

a) Composition of the Board

The Board of Directors consists of professionals from various fields. The present strength of Board of Directors of your Company is six Directors out of which one is Executive Director and five are Non- Executive Directors of which three are Independent Directors. Thus, the Board of the Company has an optimum combination of Executive and Non-Executive Directors in conformity with the provisions of Clause 49 of the Listing Agreement.

The names and categories of the Directors on the Board, the number of Directorships and Committee Chairmanships / Memberships held by them in other companies are given herein below. Other directorships do not include directorship of Private Limited Companies, Section 25 Companies and Foreign Companies. Chairmanships / Memberships of Board Committees include only Audit Committees and the Shareholder's/ Investors' Grievance Committees.

Name of Directors	Category of Directorship	Designation	No. of Directorships in other Public Companies	No. of membership(s)/ Chairmanship(s) (of Committees in other Companies	
				Chairman	Member
Mr. Hemendra Singh	Executive, Non Independent	Whole Time Director	-	-	-
Mr. Nikhil Gandhi	Non Executive, Non Independent	Director	10	-	6
Mr. Nilesh Mehta	Non Executive Non Independent	Director	-	-	-
Mr. S. S. Thakur	Non Executive, Independent	Director	8	4	5
Mr. B. G. Daga	Non Executive, Independent	Director	2	2	1
Mr. Jitendra Sanghavi	Non Executive, Independent	Director	2	-	-

b) Meetings and Attendance during the year 2010-2011

The Company has held at least one Board Meeting in every quarter and the maximum time gap between two meetings was not more than four months. During the financial year 2010-2011, the Board met five times on May 20, 2010, Jun 30, 2010, August 14, 2010, November 13, 2010 and February 11, 2011.

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The attendance of each Director at Board Meetings during the year 2010-2011 and the last AGM is given below:

Name	No. of Board Meetings attended	Attendance at the last AGM
Mr. Nikhil Gandhi	2	N
Mr. S.S. Thakur	5	N
Mr. B. G. Daga	4	Y
Mr. Jitendra Sanghavi	4	N
Mr. Nilesh Mehta	5	Y
Mr. Hemendra Singh	3	Y

3. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in accordance with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

(i) Brief description of terms of reference:

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

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11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(ii) Composition:

The Audit Committee comprises of two Independent Directors, the Chairman being an Independent Director.

Name of Members	Position
Mr. B. G. Daga	Chairman
Mr. S.S. Thakur	Member
Mr. Nilesh Mehta	Member

(iii) Meetings and Attendance of members during the year:

Four meetings of the Committee were held during the financial year 2010-11 on May 20, 2010, August 12, 2010, November 13, 2010 and February 11, 2011. The necessary quorum was present at the meetings. The Constitution of the committee and attendance of each member are as given below:

Sr. No.	Name of Member	Meetings	
		Held	Attended
1.	Mr. B. G. Daga	4	4
2.	Mr. S.S. Thakur	4	4
3.	Mr. Nilesh Mehta	4	4

4. REMUNERATION COMMITTEE:

(i) Brief Description of Terms of Reference:

The terms of reference of the Remuneration Committee includes the following:

1. Recommending to the Board, the remuneration packages of the Company's Managing Director/Joint Managing Director/Deputy Managing Director/ Whole Time Director/Executive Director, including all elements of remuneration package (i.e., salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.).
2. Determining the Company's policy on specific remuneration packages for the Company's Managing Director/ Joint Managing Director/Deputy Managing Director/ Whole Time Director/Executive Directors, including pension rights and any compensation payment.
3. Implementing, supervising and administering any share or stock option policy or any other scheme formulated by the Company.
4. Establishing and administering any employee compensation and benefit plans.
5. Carrying out other functions as may from time to time be required under any statutory, contractual or other regulatory requirement.

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(ii) Composition

Name of Members	Category	Position
Mr. B. G. Daga	Non executive, Independent	Chairman
Mr. Nikhil Gandhi	Non executive, Non Independent	Member
Mr. Nilesh Mehta	Non executive, Non Independent	Member

(iii) Meetings and Attendance during the year

During the financial year 2010-11, no meeting of the remuneration committee was held.

(iv) Remuneration Policy

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its Compensation Programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and Economic Value Analysis based variable pay. Individual performance pay is determined by business performance and the performance of individuals is measured through the annual appraisal process.

(v) Details of Directors' remuneration paid for the financial year 2010-11

Name of Director	Sitting Fees (Rs.)	Other Considerations, if any, specified	Total (Rs.)
Mr. Nikhil Gandhi	-	-	-
Mr. S.S. Thakur	45,000	-	45,000
Mr. B. G. Daga	40,000	-	40,000
Mr. Jitendra Sanghavi	20,000	-	20,000
Mr. Nilesh Mehta	-	-	-
Mr. Hemendra Singh	-	-	-

- The Company does not have any Employee Stock Option Scheme (ESOS)
- No other Directors hold any equity shares in the Company, except Mr. Nilesh Mehta who holds 3000 shares.

5. SHAREHOLDERS / INVESTOR GRIEVANCE COMMITTEE:

The Company has constituted a Shareholders / Investors Grievance Committee to look into the redressal of complaints of investors such as transfer or credit of shares, non receipt of dividend / notices / annual reports and other matters encompassing the shareholders/ Investors' related issues.

(i) Composition of the Committee

Name of Members	Category	Position
Mr. B. G. Daga	Non executive, Independent	Chairman
Mr. Nikhil Gandhi	Non executive, Non Independent	Member
Mr. Nilesh Mehta	Non executive, Non Independent	Member

(ii) Name and designation of compliance officer

Mr. Mohit Singhvi, acts as the Compliance Officer pursuant to Clause 47 of the Listing Agreement. He looks into investor grievances and co-ordinates with the Registrar & Share Transfer Agents, M/s Link Intime India Pvt. Ltd., for redressal of the investor grievances.

The Company has an email ID for investor correspondence as company.secretary@klgcapital.com

(iii) Details of queries/ complaints received and resolved during the year 2010-11

No. of Complaints received during the year	- Nil
No. of Complaints redressed during the year	- Nil
No. of Complaints pending at the closing of the financial year	- Nil

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6. GENERAL BODY MEETINGS:

(i) Location and time of last three Annual General Meetings:

Date	Venue	Time
29/08/2008	I-273, Sector –3, Bawana Industrial Area, Delhi	03.00 P.M.
24/08/2009	I-273, Sector –3, Bawana Industrial Area, Delhi	11.30 A.M.
30/09/2010	D-84, Sector- 4, Bawana Industrial Area, Delhi	12.00 Noon

(ii) Special Resolutions passed during the last three years- One

Date of AGM	Particulars of special resolution passed
29-08-2008	To keep Registers and Documents at place other than Registered Office

(iii) Special Resolution passed during the Financial Year 2010-11 through the Postal Ballot – Three

Sr. No	Date of announcement of results	Nature of resolution	Item	% Votes in favour of the Resolution	% Votes against the Resolution received	Total number of invalid postal ballots
1.	21-07-2010	Special	Amendment of other object clause of MOA of the Company	100	0	0
2.	21-07-2010	Special	Commencement of new business	99.99	0.01	0
3.	06-10-2010	Special	Shifting of registered office from the state of New Delhi to the state of Maharashtra	99.99	0.01	0

(iv) Person who conducted the postal ballot exercise – Mr. Vijay Sharma from V. K. Sharma & Co., Practising Secretaries

(v) Whether any special resolution is proposed to be conducted through postal ballot – No

(vi) Procedure for postal ballot – The postal ballot procedure is conducted in accordance with Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001. The brief procedure is mentioned hereunder:

- The Board at its meeting approves the items to be passed through postal ballot and authorises the Whole Time Director and the Company Secretary severally to be responsible for the entire process of postal ballot.
- A professional such as Company Secretary, who is not in employment of the Company, is appointed as the Scrutinizer for the postal process.
- Notice of postal ballot along with the ballot papers are sent to the shareholders along with a self – addressed envelope addressed to the Scrutinizer.
- An advertisement is published in the newspaper about the dispatch of ballot papers and notice of postal ballot.
- The duly completed postal ballot papers are received by the Scrutinizer.
- Scrutinizer gives his report to the Chairman / Authorised Person.
- The Chairman / Authorised Person announces the results of the postal ballot.
- Results are intimated to the Stock Exchange.

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7. Disclosures

(i) Related Party Transactions

Disclosures on materially significant related party transactions appear at the appropriate place in Notes to Accounts.

(ii) Details of non-compliance

There were no cases of non-compliance with Stock Exchanges or SEBI regulations, nor any cases of penalties or strictures imposed by any Stock Exchanges or SEBI or any other statutory authority for any violation related to the capital markets, during the last three years.

(iii) Whistle Blower Policy

Your Company at present does not have a Whistle Blower Policy. However any employee, if he / she desires, has free access to meet or communicate with the Audit Committee and report any matter of concern.

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this Clause

There has been complete compliance with mandatory requirements and in respect of non-mandatory requirements, disclosure have been made to the extent of adoption.

8. MEANS OF COMMUNICATION:

The quarterly, half yearly and Annual financial results are sent to the Stock Exchange in terms of the requirement of Clause 41 of the Listing Agreement and the same are published in two newspapers i.e., one English Newspaper and one in local language newspaper.

9. GENERAL SHAREHOLDERS' INFORMATION:

(i) Annual General Meeting

- Date	Thursday, September 29, 2011 at 4.00 p.m.
- Venue	Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400001

(ii) Financial Calendar for the year 2011-12 (tentative)

Tentative Schedule	Tentative Dates
Financial reporting for the quarter ending June 30, 2011	On or before August 14 ,2011
Financial reporting for the quarter ending September 30, 2011	On or before November 14 ,2011
Financial reporting for the quarter ending December 31, 2011	On or before February 14 ,2012
Financial reporting for the quarter and year ending March 31, 2012 *	On or before May 14 ,2012 / May 30, 2012
Annual General Meeting for the year ending March 31, 2012	On or before September 30,2012

*As provided under clause 41 of the listing agreement, Board may also consider publication of Audited results for the financial year 2011-2012, on or before May 30, 2012 instead of publishing unaudited results for the fourth quarter.

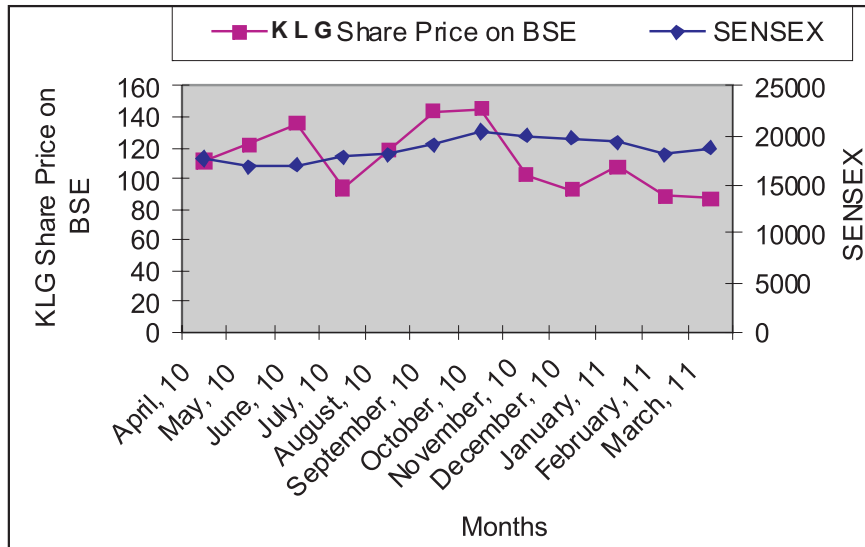
- iii) **Date of Book Closure** : September 27, 2011 to September 29, 2011 (both days inclusive)
- iv) **Dividend payment date** : N.A. since no dividend is recommended
- v) **Listing of Shares on Stock Exchanges** : Bombay Stock Exchange Limited
- vi) **Stock Code** : (a) Scrip Code on BSE: 530771
(b) Demat ISIN No: INE929C01018

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vii) Market Price Data High, Low during each month in last financial year on the Bombay Stock Exchange Limited.

Month & Year	HIGH (Rs.)	LOW (Rs.)
April, 10	125.20	77.00
May, 10	115.75	84.95
June, 10	126.45	99.30
July, 10	126.00	96.60
August, 10	114.60	90.20
September, 10	161.75	81.10
October, 10	139.80	104.25
November, 10	134.00	84.05
December, 10	111.00	72.00
January, 11	93.80	69.50
February, 11	102.90	66.50
March, 11	73.50	53.50

viii) Share Price Performance in Comparison to BSE Sensex



ix) Registrars and Share Transfer Agents of the Company:

M/s Link Intime India Pvt. Ltd.
A-40, 2nd Floor, Naraina Industrial Area,
Phase – II, New Delhi – 110028.
Phones: 41410592 – 94
Fax No. : 91-011-41410591
Email: delhi@linkintime.co.in

x) Share Transfer System

The Shareholders are advised to contact the Registrar and Share Transfer Agents at their address for effecting transfer of shares.

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xi) a) The Company's distribution of the Shareholding as on March 31, 2011 is given below:

No. of equity shares held	No. of Shareholders	% to total Holders	No. of shares	% to total shares
Up to – 2500	1225	77.33	84157	2.62
2501 – 5000	171	10.79	66197	2.06
5001 – 10000	83	5.24	66662	2.08
10001 – 20000	44	2.77	66378	2.07
20001 – 30000	10	0.63	25531	0.79
30001 – 40000	10	0.63	34910	1.09
40001 – 50000	4	0.25	17582	0.54
50001 – 100000	17	1.07	128117	4.00
100001 & above	20	1.26	2712866	84.71
Total	1584	100.00	3202400	100.00

b) Shareholding Pattern as on March 31, 2011

Category	No. of Holders	No. of shares	% of holding
Indian Promoters	1	1936075	60.46
Foreign Promoters	Nil	Nil	0.00
Mutual Funds	Nil	Nil	0.00
Financial Institutions	Nil	Nil	0.00
Foreign Institutional Investors	Nil	Nil	0.00
Private Corporate Bodies	92	293040	9.15
Public & Others	1475	956128	29.86
Foreign Nationals/NRIs	16	17157	0.53
Total	1584	3202400	100.00

xii) Dematerialization of shares & liquidity

As on March 31, 2011, 31,67,768 i.e., 98.92 % (approx) of the total equity capital is held in demat form with NSDL and CDSL. Shares of the Company are traded on BSE and hence ensure good liquidity for the investors.

xiii) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:

As on March 31, 2011, the Company did not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

xiv) Plant Locations: Not applicable

xv) Address for Investor Correspondence:

For transfer/dematerialization of Shares, payment of dividend on shares, corporate actions or change of address or any query relating to the Shares of the Company or any other query, the shareholders are requested to contact:

Contact Details:

M/s Link Intime India Pvt. Ltd.
 (Formerly Intime Spectrum Registry Ltd.)
 A-40, 2nd Floor, Naraina Industrial Area,
 Phase – II, New Delhi – 110028.
 Phones: 41410592 – 94
 Fax No. : 91-011-41410591
 Email: delhi@linkintime.co.in

K L G Capital Services Limited

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Shareholders of K L G Capital Services Limited

We have examined the compliance of conditions of Corporate Governance by K L G Capital Services Limited (the Company) for the year ended on 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the said company with Bombay Stock Exchange.

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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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 Aashish K. Bhatt & Associates
Company Secretary in Practice**

**Aashish Bhatt
Proprietor
C.P. No: 7023**

Place: Mumbai
Date : May 30, 2011

Certificate of Whole Time Director on Financial Statements under Clause 49 of the Listing Agreement

I, Hemendra Singh, Whole Time Director of K L G Capital Services Limited, to the best of my knowledge and belief certify that:

- (a) I have reviewed the financial statements, along with the Cash flow statements of K L G Capital Services Limited for the year ended March 31, 2011 and to the best of my knowledge and belief I state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year under review which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept the responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) I have indicated to the Auditors and the Audit committee:
 - i) There were no significant changes in internal control over financial reporting during the year;
 - ii) There were no significant changes made in the accounting policies made during the year and that the same have been disclosed to the notes to the financial statements; and
 - iii) There were no instances of significant fraud of which I have become aware of and the involvement therein, if any, of the management or an employee who have a significant role in the Company's internal control systems over financial reporting;

The above is conveyed to the board of directors of the Company.

Place : Mumbai
Date : May 30, 2011

**Hemendra Singh
Whole Time Director**

Declaration by the Whole Time Director under Clause 49 of the Listing Agreement

This is to affirm that the Board of Directors of K L G Capital Services Limited has adopted a Code of Conduct for its Board Members and Senior Management Personnel in compliance with the provisions of clause 49 (1D) of the Listing Agreement with the Stock Exchanges and the Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended March 31, 2011.

Place : Mumbai
Date : May 30, 2011

**Hemendra Singh
Whole Time Director**

THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report of the Company for the year 2010-11 are as under: -

1. Industry Structure and Developments

The Indian economy is one of the fastest growing economies of the world. The Indian Financial sector is demonstrating sustainable growth. The said sector is having huge growth potential, and with governments ongoing policy efforts to liberalise it further, the sector would well play a significant role in the growth of the Indian economy over the near to midterm.

2. Opportunities and Threats

The company is examining various new avenues of business in financial activities. The present business of your Company is investment and financing. The Company intends to diversify its activities into education related business and financing.

3. Segment wise Performance

Total Income earned by the Company for the year under review was Rs. 706.58 Lacs as compared to Rs. 50.17 Lacs. Net profit for the same period was Rs. 76.47 Lacs as compared to Rs. 28.80 Lacs.

4. Future Prospects & Outlook

In the forthcoming year, the Company envisages to identify new avenues of business activities and make use of opportunities available, besides strengthening its present operations. The Company intends to diversify its activities into education related business and financing.

5. Risk and Concerns

General risks associated with the financial services sector in the normal course of business that we are in apply to the company also.

6. Internal control system and their adequacy

The company has adequate internal controls commensurate with its size to ensure protection of assets against loss from unauthorised use and all the transactions are authorised, recorded and reported correctly. Besides, the Audit Committee reviews the internal controls at periodic intervals in close coordination with the Auditors.

7. Financial Performance

- a) **Share Capital:** The Company's issued and subscribed share capital consists of Equity Share Capital only. The paid-up Share Capital of Company as at 31st March 2011 stood at Rs. 3,20,24,000/- comprising of 32,02,400 Equity Shares of Rs. 10/- each (previous year Rs. 3,20,24,000/-)
- b) **Reserves and Surplus:** During the year under review, the reserves and surplus stood at Rs. 172.42 (previous year Rs. 95.94 Lacs).
- c) **Current Assets & Current Liabilities:** The Current Assets and Current Liabilities for the period under review stood at Rs. 825.32 Lacs & Rs. 164.59 Lacs respectively (Previous year Rs. 493.43 Lacs & Rs. 23.25 Lacs). The net current assets (current assets less current liabilities) at the end of the year stood Rs. 2824.48 Lacs (Previous year Rs. 416.18 Lacs).

8. Human Resources

The Company has adequate human resources to man its various activities as of now. However, as operations expand into newer avenues, additional resources will be made available as per the requirement of the business.

9. Risk Management Framework

The Company has in place mechanisms to inform Board Members about the risk assessment and minimisation procedures and periodical reviews to ensure that risk is controlled by the executive management through the means of a properly defined framework.

10. Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. The important factors that could influence the Company's operations include change in government regulations, tax laws, economic developments, litigations, etc.

K L G Capital Services Limited

COMPLIANCE CERTIFICATE

Corporate Identity Number (CIN) : L74899MH1994PLC218169
Nominal Share Capital : Rs. 35,000,000/-

To,

The Members

K L G Capital Services Limited

SKIL House, 209, Bank Street Cross Lane,
Fort, Mumbai - 400023

I have examined the registers, records, books and papers of **K L G Capital Services Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies within the time prescribed under the Act and the rules made there under. The Company had filed petition with Company Law Board, Northern Region Bench for shifting of registered office from Union Territory of Delhi to State of Maharashtra. No forms or returns were required to be filed with the Regional Director, Central Government or other authorities.
3. The Company being a Public Limited Company has the paid-up capital of Rs. 32,024,000/- (Rupees Three Crores Twenty Lakhs Twenty Four Thousand only) as on 31st March, 2011.
4. The Board of Directors duly met 5 (Five) times on 20th May, 2010, 30th June, 2010, 14th August, 2010, 13th November, 2010 and 11th February, 2011 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose. The Company has passed Board Resolution by circulation.
5. The Company has closed its Register of Members from September 28, 2010 to September 30, 2010 (both days inclusive) for the purpose of Annual General Meeting.
6. The Annual General Meeting for the financial year ended on 31st March, 2010 was held on 30th September, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in minutes book maintained for the purpose.
7. No Extraordinary General Meeting was held during the financial year.
8. The Company has not advanced loans to its directors and/or persons or firms or companies referred in the Section 295 of the Act.
9. The Company has not entered into contracts falling within the purview of Section 297 of the Act.
10. The Company was not required to make entries in the register maintained under Section 301 of the Act.
11. Pursuant to the provisions of Section 314 of the Act, the Company was not required to obtain approvals from the Board of Directors, members or the Central Government.
12. The Company has not issued duplicate Share Certificates during the financial year.
13. The Company has:
 - (i) Not been required to deliver share certificate(s) as no allotment, physical transfer or transmission has been approved by the Board.
 - (ii) Not declared dividend during the financial year under review;
 - (iii) Not been required to post dividend warrants, as dividend was not declared;
 - (iv) Not been required to transfer amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund;
 - (v) duly complied with the requirements of Section 217 of the Act.

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14. The Board of Directors of the Company is duly constituted. Mr Nilesh Mehta was appointed as Director in Annual General Meeting. No appointment of additional directors, alternate directors or directors to fill casual vacancies has been made.
15. The Company has appointed to Mr. Hemendra Singh as Whole Time Director. No appointment of Managing Director/ Manager during the financial year.
16. The Company has not appointed Sole - selling Agent during the financial year.
17. The Company was not required to obtain approvals of the Central Government, Regional Director, except for the approval relating to shifting of registered office from Union Territory of Delhi to State of Maharashtra from Company Law Board and Registrar of Companies.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued shares, debentures or other securities during the financial year.
20. The Company has not bought back shares during the financial year.
21. The Company has not redeemed preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividends, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted deposits including unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The Company has not borrowed from banks, financial institutions, etc during the financial year.
25. The Company has not made loans or advances or given guarantees or provided securities to other bodies corporate.
26. The Company has altered the provisions of the memorandum with respect to situation of the Company's registered office from one State to another during the year.
27. The Company has altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its articles of association during the financial year.
31. As confirmed by the management of the Company, there was no prosecution initiated against or show cause notices received by the Company during the financial year for alleged offences under the Act.
32. As confirmed by the management, the Company has not received money as security from its employees during the financial year.
33. As confirmed by the management, the Company was not required to deposit its contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

Place : Mumbai
Date : May 30, 2011

Signature:
Name of Company Secretary: **Aashish Bhatt**
C. P. No. : **7023**

K L G Capital Services Limited

Annexure A :

Registers and Records as maintained by the Company

Sr. No	Particulars	Section
1	a) Minutes of Board of Directors b) Minutes of Committee of Directors c) Minutes of General Meetings	193
2	Register of Charges	143
3	Register of Members and Index	150 & 151
4	Books of Accounts	209
5	Register of Contracts in Which Directors are Interested	301
6	Register of Directors	303
7	Register of Directors Shareholding	307
8	Register of Loans and Investments	372A

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2011.

Sr No.	Form No. / Return	Filed under Section	Description	Date of Filing	Whether filed within prescribed time limit Yes / No	If delay in filing Whether requisite additional fees paid Yes / No
1	25C	269(2)	Appointment of Mr. Hemendra Singh as Whole Time Director	1.4.10	Yes	No
2	62	192A	Submission of Calendar of events for passing of resolutions by postal ballot for alteration of Memorandum of Association and commencement of new business activities	26.5.10	Yes	No
3	23	17(1), 18(1) and 149(2A)	Resolution for alteration in object clause and commencement of new business	23.7.10	Yes	No
4	20A	149(2A)	Declaration of compliance with the provisions of related Section.	6.8.10	Yes	No
5	32	-	Resignation of Mr. Nirav Shah as Company Secretary	23.8.10	Yes	No
6	62	192A	Submission of Calendar of events for passing of resolutions by postal ballot for shifting of registered office	20.8.10	Yes	No
7	32	-	Change in Designation of Mr. Hemendra Singh as Whole-time director and Mr. Nilesh Mehta as Director.	7.10.10	Yes	No
8	23	17(1) and 18(1)	Postal ballot resolution passed for the change in place of registered office from one state to another state.	18.10.10	Yes	No
9	23AC, 23ACA	220	Balance Sheet, Profit & Loss Account along with related schedules for year ended 31st March, 2010	23.10.10	Yes	No
10	20B	159	Annual Return	24.11.10	Yes	No
11	61	17	Submission of petition for Shifting of Registered office	10.12.10	Yes	No

With Regional Director : Not Applicable

With Central Government or other authorities : Not Applicable

AUDITOR'S REPORT

To,
THE MEMBERS OF
K L G CAPITAL SERVICES LIMITED

We have audited the attached Balance Sheet of **K L G CAPITAL SERVICES LIMITED** as at 31st March, 2011 and the Profit & Loss Account and Cash Flow Statement of the Company for the year ended on that date annexed thereto. 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.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors Report) Order, 2003 and amendments thereto issued by the Central Government of India in terms of Sec 227(4A) of the Companies Act 1956, and in terms of Notification No. DFC 117/DG(SPT) 98 dated 02/01/1998 relating to direction of NBFC's audit as per RBI Act, 1934 and on the basis of such checks as we considered appropriate under the circumstances and on the basis of information and explanations given to us in the course of audit, we enclose in the annexure, a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable to the Company.

Further to our comments in the Annexure referred to above, we report that:

- a) We have obtained all information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of these books;
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- d) In our opinion, the Financial Statements dealt with by this report, read with Notes to Accounts, comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable.
- e) On the basis of the written representations received from directors of the Company as at 31st March, 2011 and taken on record by the Board of Directors, we report that no director is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956; and
- f) In our opinion, and to the best of our information and according to the explanations given to us, the said Financial Statements together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956, and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as on 31st March, 2011;
 - ii) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date, and
 - iii) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

For NBS & Co
Chartered Accountants
Firm Registration Number : 110100W

Devdas Bhat
Partner
Membership No. 48094

Place : Mumbai
Date : May 30, 2011

K L G Capital Services Limited

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in paragraph 3 of the auditors report to the members of **K L G CAPITAL SERVICES LIMITED** for the year ended 31st March, 2011.

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.
(e) During the year, Company has taken unsecured loan of Rs. 23,86,82,425/- from M/s Awaita Properties Private Limited, party covered in the register maintained under section 301 of the Companies Act, 1956.
(f) In our opinion and according to the information and explanation given to us, the terms and conditions of loan taken are not prima facie prejudicial to the interest of the company.
(g) According to the information and explanation given to us, the repayment of the loan is regular.
- (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) In our opinion the Company has Internal Audit System commensurate with its size and its nature of business.
- (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 is no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2011 for a period more than six months from the date they became payable.
(b) There is 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 no accumulated losses and has not incurred cash losses in current financial year and in the immediate preceding financial year.

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- (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) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (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 of 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.
- (ix) 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.
- (xxii) In case of NBFC,
 - (a) The Company has received the Registration Certificate from RBI vide Registration no. B-14.00140 dated 16/10/2002.
 - (b) The Company has not accepted any Public deposits
 - (c) (i) The Board of Directors have already passed the Board Resolution dated 02/02/1998 regarding non acceptance of public deposits and submitted with the RBI on 23/02/1998.
(ii) The Company has complied with the prudential norms related to Income Recognition, Accounting Standards, Asset Classification and Provisioning for Bad and Doubtful Debts as applicable.
(iii) The Company has not invested its assets more than 90% in the Securities of its Group/ Holding / Subsidiary Companies as Long Term Investments.
(iv) The Company holds Securities of M/s KLG Stock Brokers Private Limited, a Subsidiary Company as Investments.

For NBS & Co
Chartered Accountants
Firm Registration Number : 110100W

Devdas Bhat
Partner
Membership No. 48094

Place : Mumbai
Date : May 30, 2011

K L G Capital Services Limited

BALANCE SHEET AS AT MARCH 31, 2011

Particulars	Schedule	Current Year		Previous Year
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
SOURCES OF FUNDS				
Shareholders Funds				
Share Capital	1	32,024,000		32,024,000
Reserves and Surplus	2	17,241,602		9,594,196
			49,265,602	41,618,196
Loan Funds				
Unsecured loans	3		233,182,425	-
TOTAL			282,448,027	41,618,196
APPLICATION OF FUNDS :				
Investment	4		216,375,220	-
Current Assets, Loans and Advances				
Sundry Debtors	5	60,044,200		2,432,115
Cash and Bank Balances	6	786,450		519,089
Loans and Advances	7	21,701,932		40,991,813
		<u>82,532,582</u>		<u>43,943,017</u>
LESS :				
Current Liabilities and Provisions				
Current Liabilities	8	1,434,957		295,275
Provisions		15,024,817		2,029,545
		<u>16,459,774</u>		<u>2,324,820</u>
NET CURRENT ASSETS			66,072,808	41,618,196
TOTAL			282,448,027	41,618,196
Significant Accounting Policies and Notes on Accounts	13		-	-

The Schedules referred to above and statement on Significant Accounting Policies and Notes to Accounts form an integral part of the Balance Sheet.

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

For and on behalf of the Board of Directors

Devdas Bhat
Partner
Membership No. 48094

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

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PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

Particulars	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
INCOME			
Income from Operations	9	68,731,617	5,017,288
Other Income	10	1,926,795	-
		70,658,412	5,017,288
EXPENDITURE			
Operating, Administrative & Other Expenses	11	47,527,118	542,566
Personnel Expenses	12	483,888	294,738
		48,011,006	837,304
Profit/(Loss) before tax		22,647,406	4,179,984
<u>Provision For Taxation</u>			
- Current Tax		15,000,000	1,300,000
Profit/(Loss) after tax		7,647,406	2,879,984
Balance brought forward		7,675,356	5,371,368
PROFIT AVAILABLE FOR APPROPRIATION		15,322,762	8,251,353
APPROPRIATION TO :			
-Amount transferred to Reserve Fund		(1,529,481)	(575,997)
Balance Carried to Balance Sheet		13,793,280	7,675,356
Earning per share(Basic and Diluted)		2.39	0.90
Significant Accounting Policies and Notes on Accounts	13		

The Schedules referred to above and statement on Significant Accounting Policies and Notes to Accounts form an integral part of the Profit & Loss Accounts.

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

For and on behalf of the Board of Directors

Devdas Bhat
 Partner
 Membership No. 48094

Hemendra Singh
 Whole Time Director

Nilesh Mehta
 Director

Place : Mumbai
Date : May 30, 2011

K L G Capital Services Limited

Schedules attached to and forming a part of the Balance Sheet as at March 31, 2011

Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SCHEDULE 1		
SHARE CAPITAL		
Authorised		
35,00,000 Equity Shares of Rs.10/- each	35,000,000	35,000,000
Issued,Subscribed and Paid up		
32,02,400 Equity Shares of Rs.10/- Each (Fully Paid up)	32,024,000	32,024,000
	32,024,000	32,024,000
SCHEDULE : 2		
RESERVES AND SURPLUS		
General Reserve	1,012,242	1,012,242
Statutory Reserve Fund	2,436,079	906,598
Profit & Loss Account	13,793,280	7,675,356
	17,241,602	9,594,196
SCHEDULE : 3		
UNSECURED LOANS		
From Holding Company	233,182,425	-
	233,182,425	-
SCHEDULE : 4		
INVESTMENTS		
<u>Quoted: Long Term Investments</u>		
Shipping Corpration of India Limited 6,42,265 Equity Shares of Rs.10 each. (Purchase during year)	89,917,100	-
<u>Quoted: Short Term Investments</u>		
Neha International Limited 2,66,000 Equity Shares of Rs.10 each. (Purchase during year)	34,697,520	-
<u>Unquoted: Long Term, Non-Trade Investments</u>		
<u>-Subsidiary Company</u>		
KLG Stock Brokers Pvt. Ltd. 3,50,000 Equity Shares of Rs.10 each.	3,500,000	-
<u>-Others</u>		
Catholic Syrian Bank Ltd. 3,05,400 Equity Shares of Rs.10 each.	88,260,600	-
	216,375,220	-
Notes :		
01. Aggregate cost of quoted investments.	124,614,620	-
02. Aggregate Market Value of quoted investments.	106,287,694	-
03. Aggregate Cost of unquoted investments.	91,760,600	-
SCHEDULE : 5		
SUNDRY DEBTORS		
(a) Debts due for a period exceeding six months	-	
- Considered good	1,544,200	
(b) Debts due for a period less then six months		
- Considered good	58,500,000	2,432,115
	60,044,200	2,432,115

Annual Report 2010-11

Schedules attached to and forming a part of the Balance Sheet as at March 31,2011

Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>SCHEDULE :6</u>		
<u>CASH , BANK BALANCES & MARGIN MONEY</u>		
Cash on hand / Transit	64,093	88,673
Balance with Scheduled Banks	722,357	430,416
(In Current Account)	<u>786,450</u>	<u>519,089</u>
<u>SCHEDULE : 7</u>		
<u>LOANS & ADVANCES</u>		
(Unsecured & Considered Good)		
Loan to Companies	-	17,660,355
Advance recoverable in cash or in kind for value to be received	1,008,603	18,194,218
Rent Deposit (Refundable)	4,000,000	4,000,000
Advance Tax and Tax deduction at sources	172,085	1,137,240
Other Advance	16,521,244	-
	<u>21,701,932</u>	<u>40,991,813</u>
<u>SCHEDULE : 8</u>		
<u>CURRENT LIABILITIES AND PROVISIONS</u>		
<u>A. CURRENT LIABILITIES</u>		
<u>Sundry Creditors</u>		
Creditor For Expenses	1,269,661	36,295
Others - Duties and Taxes	165,296	258,980
	<u>1,434,957</u>	<u>295,275</u>
<u>B. PROVISIONS</u>		
Provision for Expenses	24,817	29,780
Provision for Income tax	15,000,000	1,999,765
	<u>15,024,817</u>	<u>2,029,545</u>
<u>SCHEDULE : 9</u>		
<u>INCOME FROM OPERATIONS</u>		
Income from Operations	68,731,617	5,017,288
	<u>68,731,617</u>	<u>5,017,288</u>
<u>SCHEDULE : 10</u>		
<u>OTHER INCOME</u>		
Dividend	1,926,795	-
	<u>1,926,795</u>	<u>-</u>

K L G Capital Services Limited

Schedules attached to and forming a part of the Balance Sheet as at March 31,2011

Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SCHEDULE : 11		
<u>OPERATING, ADMINISTRATIVE AND OTHER EXPENSES</u>		
Advertisement	42,920	36,480
Auditors Remuneration	27,575	27,575
Bank charges	607	110
Business Promotion Expenses	255,589	12,445
Demat Charges	39,231	3,600
Fee, Taxes & Legal charges	25,784	27,146
Filing Fees	4,020	5,500
Mark to Market loss (Gain) on Derivative Instrument	19,452,329	-
Loss on Sales from Investment	26,989,795	-
Miscellaneous Expenses	6,650	3,548
Other Administrative Expenses	47,097	25,294
Printing & Stationary	45,898	65,802
Professional Charges	259,527	68,881
Rent Expenses	132,360	132,360
Sitting Fees	105,000	85,000
Telephone Expenses	2,971	1,259
Travelling & Conveyance	80,765	38,766
Web Design Expenses	9,000	8,800
TOTAL	47,527,118	542,566
SCHEDULE : 12		
<u>PERSONNEL EXPENSES</u>		
Salaries, Wages and Bonus	483,888	294,738
	483,888	294,738

Annual Report 2010-11

Schedules attached to and forming a part of the Balance Sheet as at 31.03.2011 and Profit and Loss Account for the year ended on that date.

SCHEDULE : 13

1. SIGNIFICANT ACCOUNTING POLICIES

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 the Generally Accepted Accounting Principles 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 recognised in the period in which the results are known / materialised.

C. Revenue Recognition

All the incomes are accounted on accrual basis.

D. Employee Benefits

01. Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of 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.

E. Retirement Benefits

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

F. 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.

2. NOTES ON ACCOUNTS

- a. Previous year figures have been regrouped or rearranged wherever necessary.
- b. Figures are rounded off to nearest rupees.
- c. In the opinion of the Management, current assets, advances are approximately of the value stated if realised in the ordinary course of business except otherwise stated.
- d. Related Party Disclosure :(As Identified By Management)

K L G Capital Services Limited

List of Related Parties

1. Major Shareholder having control over the company
Awaita Properties Pvt. Ltd.
 2. Subsidiary
KLG Stock Brokers Pvt. Ltd.
 3. Key Managerial Personnel
Hemendra Singh (Whole-Time Director)
 4. Companies under Common Control
Awaita Properties Pvt. Ltd.
- e. Disclosure of Related Party Transactions between the Company and related parties for the year ended March 31,2011

		As At March 31, 2011 (Amount in Rs.)	As At March 31, 2010 (Amount in Rs.)
1.	Rent Paid Awaita Properties Pvt. Ltd.	132,360	132,360
2.	Unsecured Loans (Liability) Awaita Properties Pvt. Ltd.	233,182,425	-
3.	Investment in Equity Shares / Advance KLG Stock Brokers Pvt. Ltd.	3,600,000	-
4	Deposit against use of Office Premises Awaita Properties Pvt. Ltd.	4,000,000	4,000,000

- f. Director's Remuneration :- No remuneration has been paid to any of the Directors.
- g. Foreign Currency Transactions :- There is no income or expenditure in foreign currency during the year.
- h. 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 and together with interest paid /payable as required under the said Act have not been furnished.

i. Payment to auditors		As At March 31, 2011 (Amount in Rs.)	As At March 31, 2010 (Amount in Rs.)
a)	As auditors	25,000	25,000
b)	Service tax	5,665	4,120
c)	Certification & Other Matters	30,000	15,000
Total		60,665	44,120

- j. Management has policy of making provision of leave encashment on accrual basis as per 'AS 15 regarding Retirement benefits.
- k. As there is no element creating temporary difference in liability of tax as per Income Tax Act, 1961 and as per Companies Act, 1956, the Deferred Tax calculation as per AS 22 'Accounting for Taxes on Income' is not applicable.

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I. Earning Per Share

Particulars	As At March 31, 2011 (Amount in Rs.)	As At March 31, 2010 (Amount in Rs.)
Net Profit / (Loss) After Tax available for Equity Share Holders	7,647,406	2,879,984
Weighted Average Number of Equity Shares of Rs. 10/- each outstanding during the year	3,202,400	3,202,400
Basic / Diluted Earning Per Share Rs.	2.39	0.90

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

For and on behalf of the Board of Directors

Devdas Bhat
Partner
Membership No. 48094

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

K L G Capital Services Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2011

	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
A. Cash flow from Operating activities		
Net profit after tax & extraordinary items	7,647,406	2,879,984
Adjustment for		
Depreciation	-	-
Dividend Income	(1,926,795)	-
Profit on Sale of Fixed Assets	-	-
Operating Profit before working capital changes	<u>5,720,611</u>	<u>2,879,984</u>
Adjustment for working capital Changes		
(Increase)/Decrease in Debtors	(57,612,085)	(2,432,115)
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Advance Payment	19,289,881	647,751
Increase/(Decrease) in Current Liability	1,239,682	(2,339,265)
Increase/(Decrease) in Provision	12,995,272	1,328,492
Cash generated from Operations	(18,366,639)	84,848
Direct taxes	-	-
Cash flow before extraordinary items	(18,366,639)	84,848
Extraordinary items	-	-
Cash flow from operating activities (A)	(18,366,639)	84,848
B. Cash flow from Investing activities		
Purchase of Fixed Assets	-	-
Sales of Fixed Assets	-	-
Purchase of Investments-Long Term	(178,177,700)	-
Purchase of Investments-Short Term	(34,697,520)	-
Purchase of Investments-Subsidiary	(3,600,000)	-
Dividend Income	1,926,795	-
Sale of Investment	-	-
Net cash used in Investment activities (B)	(214,548,425)	-
C. Cash flow from Financing activities		
Increase/(Decrease) in Term Loan (Net of Repayment)	-	-
Increase/(Decrease) in Unsecured Loan (Net of Repayment)	233,182,425	-
Proceeds from issue of Share Capital	-	-
Dividend Paid (Net)	-	-
Net cash used in financing activities (C)	233,182,425	-
Net increase / decrease in cash and cash equivalents (A+B+C)	267,361	84,848
Cash & cash equivalents as at 01.04.2010	519,089	434,241
(opening balance) cash in hand & balance with banks		
Cash & cash equivalents as at 31.03.2011	<u>786,450</u>	<u>519,089</u>
(closing balance) cash in hand & balance with banks		

Note: Figures in brackets represent outflows

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

For and on behalf of the Board of Directors

Devdas Bhat
Partner
Membership No. 48094

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

Annual Report 2010-11

Information pursuant to the provisions of Part IV of Schedule VI of the Companies Act, 1956. Balance Sheet Abstract & Company's General Business Profile

I. <u>Registration Details:</u>	
Registration No.:	L74899MH1994PLC218169 of 1994
State Code:	11
Balance Sheet Date :	31 st March 2011
II. <u>Capital Raised During the year:</u> <u>Amount(Rs)</u>	
Public Issue :	Nil
Right Issue:	Nil
Bonus Issue :	Nil
Private Placement:	Nil
III. <u>Position of Mobilisation and Development of Funds:</u>	
Total Liabilities:	28,24,48,027
Total Assets:	28,24,48,027
<u>Sources of Funds:</u>	
Paid up Capital:	3,20,24,000
Reserves & Surplus:	1,72,41,602
Secured Loans:	Nil
Unsecured Loans:	23,31,82,425
Deferred Tax:	Nil
<u>Application of Funds:</u>	
Net Fixed Assets:	Nil
Investments:	21,63,75,220
Net Current Assets:	6,60,72,808
Miscellaneous Expenditure:	Nil
IV. <u>Performance of the Company:</u>	
Turnover including other income	7,06,58,412
Total Expenditure including Depreciation	4,80,11,006
Profit Before Tax	2,26,47,406
Profit After Tax	76,47,406
Earning Per Share:	2.39
Dividend Rate:	Nil
V. <u>Generic Names of the Three Principal Products / Services of the Company:</u>	
(As per monetary terms)	
Item Code No. (ITC Code)	: Not Applicable
Product Description	: Not Applicable

K L G Capital Services Limited

DIRECTORS' REPORT

To

The Members

KLG Stock Brokers Private Limited

Your Directors have pleasure in presenting 1st Annual Report, together with the Audited Accounts for the period ended March 31, 2011.

FINANCIAL HIGHLIGHTS

Since the business activity of the Company has not commenced, the Profit & Loss Account has not been drawn for the year. And during the period under review, expenses are transferred under the head "Pre-Operative Expenses".

DIVIDEND

Since the business activity of the Company during the period under review has not commenced any business, the Directors do not recommend any dividend.

ACTIVITIES

During the period under review your Company has received Deposit Based Trading Membership of Cash Segment and Trading Membership of Equity Derivatives Segment of the BSE Ltd. and also received the SEBI Registration Certificate for the registration of said membership in Cash and Equity Derivative Segments.

SHARE CAPITAL

During the period under review, the Company has raised Rs. 30 Lacs by issue of 3,00,000 Equity shares of Rs. 10/- each fully paid-up.

HOLDING COMPANY

During the period under review, your Company has become wholly owned subsidiary Company of M/s. K L G Capital Services Limited since incorporation.

DIRECTORS

During the period under review, Mr. Hemendra Singh and Mr. Nilesh Mehta were appointed as the first directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217 (2AA) of the Companies Act, 1956, the Directors would like to state that: -

1. In the preparation of the annual accounts for the financial period ended March 31, 2011, the applicable accounting standards have been followed along with proper explanation relating to the material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period under review;
3. The Directors have 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;
4. The Directors have prepared the annual accounts on a going concern basis."

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AUDITORS

M/s NBS & Co., Chartered Accountants, Mumbai, first auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible, have expressed their willingness to continue.

The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limit under section 224 (I B) of the Companies Act, 1956 and they are not disqualified for such reappointment within the meaning of section 226 of the said Act.

AUDITORS' REPORT

The Auditors' Report to the Shareholders does not contain any reservations, qualification or adverse remark.

DEPOSITS

The Company has not accepted any fixed deposits from the public during the financial year 2010-11.

COMPLIANCE CERTIFICATE

The certificate as required under Section 383A of the Companies Act, 1956, given by M/s. Aashish K. Bhatt & Associates, Practising Company Secretary, forms part of this Annual Report.

PARTICULARS OF EMPLOYEES

During the period under review none of the employees of the Company are covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988, relating to conservation of energy, technology absorptions is not applicable to the Company. Foreign Exchange Earning and Outgo during the period under review are Nil.

ACKNOWLEDGEMENT

The Directors thank all the employee of the Company, the Banker, the Clients, Vendors and Governmental Authorities for their support during the period under review and look forward to their continued support in the future.

For and on behalf of the Board of Directors

Date : August 12, 2011
Place : Mumbai

Hemendra Singh
Director

Nilesh Mehta
Director

K L G Capital Services Limited

COMPLIANCE CERTIFICATE

Corporate Identity Number (CIN) : U74120MH2010PTC207363

Nominal Share Capital : Rs. 3, 50, 00, 000/-

To,

The Members

KLG Stock Brokers Private Limited

SKIL House, 209, Bank Street Cross Lane,
Fort, Mumbai - 400023

I have examined the registers, records, books and papers of **KLG Stock Brokers Private Limited** (the Company is subsidiary of KLG Capital Services Limited) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies within the time prescribed under the Act and the rules made there under. No forms or returns were required to be filed with the Regional Director, Company Law Board, Central Government or other authorities.
3. The Company, being a subsidiary of KLG Capital Services Limited, provisions of Public Limited Company are applicable and has paid up capital of Rs. 35,00,000/-.
4. The Board of Directors duly met 4 (four) times on 7th September, 2010, 4th October, 2010, 16th December, 2010 and 11th February, 2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose.
5. The Company has not closed its Register of Members during the financial year.
6. The Company has been incorporated on 1st September, 2010, therefore was not required to convene Annual General Meeting.
7. 2 (Two) Extraordinary General Meeting were held on 14th September, 2010 and 17th December, 2010 after giving required notice to the members of the Company.
8. The Company has not advanced loans to its directors and / or persons or firms or companies referred to in section 295 of the Act.
9. As confirmed by the management and data made available to us, the Company has not entered into contracts within the purview of section 297 of the Act.
10. The Company was not required to make entries in the register maintained under section 301 of the Act.
11. Pursuant to the provisions of section 314 of the Act, the Company was not required to obtain approval from the Board of Directors, members or the Central Government as the case may be.
12. The Company has not issued duplicate Share Certificates during the financial year.
13. The Company has:
 - (i) Delivered share certificate on allotment of equity shares, no transfer or transmission of shares has been approved by the Board of Directors;
 - (ii) Not declared dividend during the financial year under review;
 - (iii) Not been required to post dividend warrants as dividend was not declared;
 - (iv) Not been required to transfer amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund;
 - (v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. No appointment of alternate directors or directors to fill casual vacancies was made.

Annual Report 2010-11

15. The Company has not appointed Managing Director / Whole-time Director / Manager during the financial year.
16. The Company has not appointed Sole - selling Agent during the financial year.
17. The Company was not required to obtain approval from Central Government, Regional Director, Company Law Board, Registrar of Companies and / or such other authorities as may be prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has issued 3,50,000 equity shares during the financial year.
20. The Company has not bought back shares during the financial year.
21. The Company has not redeemed preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividends, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted deposits including unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The Company has not borrowed from banks or financial institutions.
25. The Company has not made loans or advances or given guarantees or provided securities to other bodies corporate.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one State to another.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has altered the provisions of the memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its articles of association during the financial year.
31. As confirmed by the management of the Company, there was no prosecution initiated against or show cause notices received by the Company during the financial year for alleged offences under the Act.
32. As confirmed by the management, the Company does not have employees; therefore no money was received as security during the financial year.
33. The Company does not have employees, therefore provisions relating deposit of any amount towards Provident Fund with prescribed authorities pursuant to section 418 of the Act is not applicable.

Place : Mumbai
Date : August 12, 2011

Signature:
Name of Company Secretary: **Aashish Bhatt**
C. P. No. : **7023**

K L G Capital Services Limited

Annexure A :

Registers and Records as maintained by the Company

Sr. No	Particulars	Section
1	Register of Charges	143
2.	Register of Members	150
3.	Minutes of General Meeting	193
4.	Minutes of Board Meeting	193
5.	Books of Account	209
6.	Register of Directors	303
7.	Register of Directors Shareholding	307

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2011.

Sr No.	Form No. / Return	Filed under Section	Description	Date of Filing	Whether filed within prescribed time limit Yes / No	If delay in filing Whether requisite additional fees paid Yes / No
1	5	16, 31, 94	Increase in Authorised Share Capital	15.09.10	Yes	No
2	5	16, 31, 94	Increase in Authorised Share Capital	21.12.10	Yes	No
3	22B	187C	Form of Return for intimating beneficial interest in the shares	25.10.10	Yes	No
4	2	75	Return of Allotment for issuance of 300,000 equity shares	05.10.10	Yes	No

With Regional Director : Not Applicable

With Central Government or other authorities : Not Applicable

AUDITOR'S REPORT

To,
The members of **KLG Stock Brokers Private Limited,**

We have audited the attached Balance Sheet of **KLG Stock Brokers Private Limited** as at 31st March 2011 annexed thereto. 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.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors Report) Order, 2003 and amendments thereto issued by the Central Government of India in terms of Sec 227(4A) of the Companies Act 1956, and on the basis of such checks as we considered appropriate under the circumstances and on the basis of information and explanations given to us in the course of audit, we enclose in the annexure, a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable to the Company.

Further to our comments in the Annexure referred to above, we report that:

- a) We have obtained all information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of these books;
- c) The Balance Sheet dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Financial Statements dealt with by this report, read with Notes to Accounts, comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable.
- e) On the basis of the written representations received from directors of the Company as at 31st March, 2011 and taken on record by the Board of Directors, we report that no director is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956; and
- f) In our opinion, and to the best of our information and according to the explanations given to us, the said Financial Statements together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956, and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as on 31st March, 2011;
 - ii) As commercial operations have not commenced during the year ended 31st March 2011 the Company has no Profit or Loss.

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

Devdas Bhat
Partner
Membership No. 48094

Place : Mumbai
Date : May 30, 2011

K L G Capital Services Limited

ANNEXURE TO AUDITORS REPORT

Annexure referred to in paragraph 3 of the auditors report to the members of **KLG Stock Brokers Private Limited** for the year ended 31st March, 2011.

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 dues which have remained outstanding as at 31st March, 2011 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 no accumulated losses and 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.

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- (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.
- (ix) 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

Devdas Bhat
Partner
Membership No. 48094

Place : Mumbai
Date : May 30, 2011

K L G Capital Services Limited

BALANCE SHEET AS AT MARCH 31, 2011

Particulars	Schedule Ref		As At 31st March 2011
SOURCES OF FUNDS			
Share Holders Funds			
Share Capital	1	3,600,000	
			3,600,000
TOTAL			3,600,000
APPLICATION OF FUNDS			
Current Assets Loans & Advances			
Cash & Bank Balances	2	3,116,450	
Loans & Advances	3	100,000	
		3,216,450	
Less: Current Liabilities & Provisions			
Current Liabilities	4	11,030	
		11,030	
Net Current Assets			3,205,420
Miscellaneous Expenditure			
(To the Extent not written off)	5		
Preliminary Expenditure		359,000	
Pre-Opeative Expenditure		35,580	394,580
(Refer Note No.05.(C))			
Statement on Significant accounting policies and notes to accounts	6		
TOTAL			3,600,000

The Schedules referred to above and statement on significant accounting policies and notes to accounts form an intergral part of the Balance Sheet.

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

For and on behalf of the Board of Directors

Devdas Bhat
Partner
Membership No. 48094

Hemendra Singh
Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

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Schedules forming part of Balance Sheet as at March 31, 2011

Particulars	As At 31st March 2011
<u>SCHEDULE - 1</u>	
<u>SHARE CAPITAL</u>	
<u>Authorised Capital</u>	
35,00,000 Equity Shares of Rs. 10/- each	<u>35,000,000</u>
<u>Issued, Subscribed & Paid-Up Capital</u>	
3,50,000 Equity Shares of Rs. 10 each	3,500,000
Share Application Money Received	100,000
	<u>3,600,000</u>
<u>SCHEDULE - 2</u>	
<u>CASH & BANK BALANCES</u>	
Cash on Hand	6,500
Balance with Scheduled banks	
-On Current accounts	609,950
-On Deposits accounts	2,500,000
	<u>3,116,450</u>
<u>SCHEDULE - 3</u>	
<u>LOANS AND ADVANCES</u>	
Deposits- Others	100,000
	<u>100,000</u>
<u>SCHEDULE - 4</u>	
<u>CURRENT LIABILITIES & PROVISIONS</u>	
Sundry Creditor for Expenses	11,030
	<u>11,030</u>
<u>SCHEDULE - 5</u>	
<u>MISCELLANEOUS EXPENDITURE</u>	
Preliminary Expenditure:	
ROC Incorporation Expenses	6,000
ROC Filing Fees for Increased Authorised Capital	353,000
	359,000
Pre-Operative Expenditure:	
Audit Fees	11,030
Pringing and Stationery Expenses	2,250
Professional Fees	21,300
ROC Filing Fees	1,000
	35,580
	<u>394,580</u>

K L G Capital Services Limited

Schedules attached to and forming a part of the Balance Sheet as at March 31, 2011

SCHEDULE : 5

1. SIGNIFICANT 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 the Generally Accepted Accounting Principles 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 recognised in the period in which the results are known / materialised.

C. Pre-operative Expenses:

The expenditure under the head ' Miscellaneous Expenditure' is being amortized over the period of estimated future benefit.

D. Employee Benefits

- 1) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- 2) Post employment and other long term employee benefits are recognized 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.

E. Retirement Benefits

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

F. 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 change in tax rates is recognised in the profit & loss account in the year of change.

2. NOTES ON ACCOUNTS

- a. The Company was incorporated on 01/09/2010 and this being first year, no previous year figures are given.
- b. Figures are rounded off to nearest rupees.
- c. 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.
- d. Director's Remuneration :- No remuneration has been paid to any of the Directors.
- e. The Company does not have on 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 and together with interest paid /payable as required under the said act have not been furnished.

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f. Payment to auditors As At

	31 March 2011 (Amount in Rs.)
a) As auditors	10,000
b) Service tax	1,030
c) Certification & Other Matters	-
Total	<u><u>11,030</u></u>

g. As there is no element creating temporary difference in liability of tax as per Income tax Act, 1961 and as per Companies Act, 1956, the Deferred Tax calculation as per AS 22 'Accounting for Taxes on Income' is not applicable.

For NBS & Co.
Firm Registration Number : 110100W
Chartered Accountants

For and on behalf of the Board of Directors

Devdas Bhat
Partner
Membership No. 48094

Hemendra Singh
Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

K L G Capital Services Limited

Information pursuant to the provisions of Part IV of Schedule VI of the Companies Act, 1956.

Balance Sheet Abstract & Company's General Business Profile

I. Registration Details:

Registration No.:	U74120MH2010PTC207363
State Code:	11
Balance Sheet Date :	31 st March 2011
Amount(Rs)	

II. Capital Raised During the year:

Public Issue :	Nil
Rights Issue:	Nil
Bonus Issue :	Nil
Private Placement:	35,00,000

III. Position of Mobilisation and Development of Funds:

Total Liabilities:	36,00,000
Total Assets:	36,00,000

Sources of Funds:

Paid up Capital:	35,00,000
Share Application Money	1,00,000
Reserves & Surplus:	Nil
Secured Loans:	Nil
Unsecured Loans:	Nil
Deferred Tax:	Nil

Application of Funds:

Net Fixed Assets:	Nil
Capital Work in Progress:	Nil
Investments:	Nil
Net Current Assets:	32,05,420
Net Profit and Loss	Nil
Miscellaneous Expenditure:	3,94,580

IV. Performance of the Company:

Turnover including other income:	Nil
Total Expenditure including Depreciation:	Nil
Profit Before Tax:	Nil
Profit After Tax and adjustment:	Nil
Earning Per Share:	Nil
Dividend Rate:	Nil

V. Generic Names of the Three Principal Products / Services of the Company:

(As per monetary terms)

Item Code No. (ITC Code):	: Not Applicable
Product Description:	: Not Applicable

AUDITOR'S REPORT

Auditors' Report to the Members of
K L G CAPITAL SERVICES LIMITED

1. We have audited the attached consolidated Balance Sheet of K L G Capital Services Limited. ("the Company") and its subsidiary (the Company and its subsidiary constitute "the Group ") as at 31st March, 2011, the Consolidated Profit and Loss Account and the consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. These Financial Statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other financial information regarding components, Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimate made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the Consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standards 21 (Consolidated Financial Statements), as notified under the Companies (Accounting Standards) Rules, 2006.
4. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company and its aforesaid subsidiary and to the best of our information and according to the explanations given to us, in our opinion. The Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i) In the case of the Consolidated Balance Sheet, of the State of affairs of the Group as at 31st March,2011;
 - ii) In the case of the Consolidated Profit and Loss Account, of the Profit of the Group for the year ended on that date and
 - iii) In the case of the Consolidated Cash Flow Statement , of the Cash Flows of the Group for the year ended on that date.

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

Devdas Bhat
Partner
Membership No. 48094

Place: Mumbai
Date : May 30, 2011

K L G Capital Services Limited

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

Particulars	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	32,024,000	32,024,000
Reserves and Surplus	2	<u>17,241,602</u>	<u>9,594,196</u>
		49,265,602	41,618,196
Loan Funds			
Unsecured loans	3	233,182,425	-
TOTAL		<u>282,448,027</u>	<u>41,618,196</u>
APPLICATION OF FUNDS :			
Goodwill on Consoildation		394,580	
Investment	4	212,875,220	-
Current Assets, Loans and Advances			
Sundry Debtors	5	60,044,200	2,432,115
Cash and Bank Balances	6	3,902,900	519,089
Loans and Advances	7	<u>21,701,932</u>	<u>40,991,813</u>
		<u>85,649,032</u>	<u>43,943,017</u>
LESS :			
Current Liabilities and Provisions			
Current Liabilities	8	1,445,987	295,275
Provisions		<u>15,024,817</u>	<u>2,029,545</u>
		<u>16,470,804</u>	<u>2,324,820</u>
NET CURRENT ASSETS		69,178,228	41,618,196
TOTAL		<u>282,448,027</u>	<u>41,618,196</u>
Significant Accounting Policies and Notes on Accounts	13		

The Schedules referred to above and statement on Significant Accounting Policies and Notes to Accounts form an integral part of the Balance Sheet.

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

For and on behalf of the Board of Directors

Devdas Bhat
Partner
Membership No. 48094

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

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CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

Particulars	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
INCOME			
Income from Operations	9	68,731,617	5,017,288
Other Income	10	1,926,795	-
		70,658,412	5,017,288
EXPENDITURE			
Operating, Administrative & Other Expenses	11	47,527,118	542,566
Personnel Expenses	12	483,888	294,738
		48,011,006	837,304
Profit/(Loss) before tax		22,647,406	4,179,984
<u>Provision For Taxation</u>			
- Current Tax		15,000,000	1,300,000
Profit/(Loss) after tax		7,647,406	2,879,984
Balance brought forward		7,675,356	5,371,368
PROFIT AVAILABLE FOR APPROPRIATION		15,322,762	8,251,353
APPROPRIATION TO :			
-Amount transferred to Reserve Fund		(1,529,481)	(575,997)
Balance Carried to Balance Sheet		13,793,280	7,675,356
Earning per share(Basic and Diluted)		2.39	0.90
Significant Accounting Policies and Notes on Accounts	13		

The Schedules referred to above and statement on Significant Accounting Policies and Notes to Accounts form an integral part of the Profit & Loss Account.

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

For and on behalf of the Board of Directors

Devdas Bhat
Partner
Membership No. 48094

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

K L G Capital Services Limited

Schedules attached to and forming a part of the Consolidated Balance Sheet as at 31.03.2011

Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SCHEDULE : 1		
SHARE CAPITAL		
Authorised		
35,00,000 Equity Shares of Rs.10/- each	35,000,000	35,000,000
Issued,Subscribed and paid up		
32,02,400 Equity Shares of Rs.10/- Each (Fully Paid up)	32,024,000	32,024,000
	32,024,000	32,024,000
SCHEDULE : 2		
RESERVES AND SURPLUS		
General Reserve	1,012,242	1,012,242
Statutory Reserve Fund	2,436,079	906,598
Profit & Loss Account	13,793,280	7,675,356
	17,241,602	9,594,196
SCHEDULE : 3		
UNSECURED LOANS		
From Holding Company	233,182,425	-
	233,182,425	-
SCHEDULE : 4		
INVESTMENTS		
Quoted: Long Term Investments		
Shipping Corporation of India Limited	89,917,100	-
6,42,265 Equity Shares of Rs.10 each. (Purchase during year)		
Quoted: Short Term Investments		
Neha International Limited	34,697,520	-
2,66,000 Equity Shares of Rs.10 each. (Purchase during year)		
Unquoted: Long Term,Non-Trade Investments		
-Others		
Catholic Syrian Bank Ltd.	88,260,600	-
3,05,400 Equity Shares of Rs.10 each.		
	212,875,220	-
Notes :		
01. Aggregate cost of quoted investments.	124,614,620	-
02. Aggregate Market Value of quoted investments.	106,287,694	-
03. Aggregate Cost of unquoted investments.	88,260,600	-
SCHEDULE : 5		
SUNDRY DEBTORS		
(a) Debts due for a period exceeding six months		-
- Considered good	1,544,200	
(b) Debts due for a period less then six months		
- Considered good	58,500,000	2,432,115
	60,044,200	2,432,115

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Schedules attached to and forming a part of the Consolidated Balance Sheet as at 31.03.2011

Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>SCHEDULE : 6</u>		
<u>CASH , BANK BALANCES & MARGIN MONEY</u>		
Cash on hand	70,593	88,673
Balance with Scheduled Banks (In Current Account)	<u>3,832,307</u>	<u>430,416</u>
	<u>3,902,900</u>	<u>519,089</u>
<u>SCHEDULE : 7</u>		
<u>LOANS & ADVANCES</u>		
(Unsecured & Considered Good)		
Loan to Companies	-	17,660,355
Advance recoverable in cash or in kind for value to be received	<u>1,008,603</u>	18,194,218
Rent Deposit (Refundable)	4,000,000	4,000,000
Advance Tax and Tax deduction at sources	172,085	1,137,240
Other Advance	<u>16,521,244</u>	-
	<u>21,701,932</u>	<u>40,991,813</u>
<u>SCHEDULE : 8</u>		
<u>CURRENT LIABILITIES AND PROVISIONS</u>		
<u>A. CURRENT LIABILITIES</u>		
<u>Sundry Creditors</u>		
Creditor For Expenses	1,280,691	36,295
Others - Duties and Taxes	<u>165,296</u>	<u>258,980</u>
	<u>1,445,987</u>	<u>295,275</u>
<u>B. PROVISIONS</u>		
Provision for Expenses	24,817	29,780
Provision for Income tax	<u>15,000,000</u>	<u>1,999,765</u>
	<u>15,024,817</u>	<u>2,029,545</u>
<u>SCHEDULE : 9</u>		
<u>INCOME FROM OPERATIONS</u>		
Income from Operation	68,731,617	5,017,288
	<u>68,731,617</u>	<u>5,017,288</u>
<u>SCHEDULE : 10</u>		
<u>OTHER INCOME</u>		
Dividend	1,926,795	-
	<u>1,926,795</u>	<u>-</u>

K L G Capital Services Limited

Schedules attached to and forming a part of the Consolidated Balance Sheet as at 31.03.2011

Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
SCHEDULE : 11		
<u>OPERATING, ADMINISTRATIVE AND OTHER EXPENSES</u>		
Advertisement	42,920	36,480
Auditors Remuneration	27,575	27,575
Bank charges	607	110
Business Promotion Expenses	255,589	12,445
Demat Charges	39,231	3,600
Fee, Taxes & Legal charges	25,784	27,146
Filing Fees	4,020	5,500
Mark to Market loss (Gain) on Derivative Instrument	19,452,329	-
Loss on Sales from Investment	26,989,795	-
Miscellaneous Expenses	6,650	3,548
Other Administrative Expenses	47,097	25,294
Printing & Stationary	45,898	65,802
Professional Charges	259,527	68,881
Rent Expenses	132,360	132,360
Sitting Fees	105,000	85,000
Telephone Expenses	2,971	1,259
Travelling & Conveyance	80,765	38,766
Web Design Expenses	9,000	8,800
TOTAL	<u>47,527,118</u>	<u>542,566</u>
SCHEDULE : 12		
<u>PERSONNEL EXPENSES</u>		
Salaries, Wages and Bonus	483,888	294,738
	<u>483,888</u>	<u>294,738</u>

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Schedules attached to and forming a part of the Consolidated Balance Sheet as at 31.03.2011 and Profit and Loss Account for the year ended on that date.

SCHEDULE : 13

1. A. The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21)- " Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006. The Consolidated financial statements have been prepared under historical cost convention and on an accrual basis.
- B. The subsidiary (which along with K L G Capital Service Limited, the Parent, constitute the Group) considered in the preparation of these consolidated financial statements are:

Name	Percentage of Ownership interest	
	As At March 31, 2011	As At March 31, 2010
KLG Stock Brokers Pvt. Ltd. (Incorporated in India)	100%	0

The Financial statements of all the subsidiaries considered in the consolidated accounts are drawn up to March 31, 2011.

2. SIGNIFICANT ACCOUNTING POLICIES

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 the Generally Accepted Accounting Principles 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 recognised in the period in which the results are known / materialized.

C. Investments

Long Term Investments are stated at costs after providing for any diminution in value, if such diminution is of permanent nature.

D. Revenue Recognition

All the incomes are accounted on accrual basis.

E. Employee Benefits

01. Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of 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.

K L G Capital Services Limited

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.

3. NOTES ON ACCOUNTS

- Previous year figures have been regrouped or rearranged wherever necessary.
- Figures are rounded off to nearest rupees.
- In the opinion of the Management, current assets, advances are approximately of the value stated if realised in the ordinary course of business except otherwise stated.
- Related Party Disclosure :(As Identified By Management)

List of Related Parties

- Major Shareholder having control over the company
Awaita Properties Pvt. Ltd.
 - Key Managerial Personal
Hemendra Singh (Whole-Time Director)
 - Companies under Common Control
Awaita Properties Pvt. Ltd.
- e. Disclosure of Related Party Transactions between the Company and related parties for the year ended March 31, 2011

		As At March 31, 2011 (Amount in Rs.)	As At March 31, 2010 (Amount in Rs.)
01.	Rent Paid Awaita Properties Pvt. Ltd.	132,360	132,360
02.	Unsecured Loans (Liability) Awaita Properties Pvt. Ltd.	233,182,425	-
03.	Deposit against use of Office Premises Awaita Properties Pvt. Ltd.	4,000,000	4,000,000

- Director's Remuneration :- No remuneration has been paid to any of the Directors.
- Foreign Currency Transactions :- There is no income or expenditure in foreign currency during the year.
- 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 and together with interest paid /payable as required under the said Act have not been furnished.
- Management has policy of making provision of leave encashment on accrual basis as per 'AS 15 regarding Retirement benefits'.

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- j. As there is no element creating temporary difference in liability of tax as per Income tax Act, 1961 and as per Companies Act, 1956, the Deferred Tax calculation as per AS 22 'Accounting for Taxes on Income' is not applicable.
- k. Earning Per Share

Particulars	As At March 31, 2011 (Amount in Rs.)	As At March 31, 2010 (Amount in Rs.)
Net Profit / (Loss) After Tax available for Equity Share Holders	7,647,406	2,879,984
Weighted Average Number of Equity Shares of Rs. 10/- each outstanding during the year	3,202,400	3,202,400
Basic / Diluted Earning Per Share Rs.	2.39	0.90

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

Devdas Bhat
Partner
Membership No. 48094

Place : Mumbai
Date : May 30, 2011

For and on behalf of the Board of Directors

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

K L G Capital Services Limited

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31,2011

	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
A. Cash flow from operating activities		
Net profit after tax & extraordinary items	7,647,406	2,879,984
Adjustment for		
Depreciation, Amortisation and Impairment of Goodwill	(394,580)	-
Dividend Income	(1,926,795)	-
Profit on Sale of Fixed Assets	-	-
Operating Profit before working capital changes	5,326,031	2,879,984
Adjustment for working capital Changes		
(Increase)/Decrease in Debtors	(57,612,085)	(2,432,115)
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Advance Payment	19,289,881	647,751
Increase/(Decrease) in Current Liability	1,150,712	(2,339,265)
Increase/(Decrease) in Provision	12,995,272	1,328,492
Cash generated from Operations	(18,850,189)	84,848
Direct taxes	-	-
Cash flow before extraordinary items	(18,850,189)	84,848
Extraordinary items	-	-
Cash flow from operating activities	(A) (18,850,189)	84,848
B. Cash flow from Investing activities		
Purchase of Fixed Assets	-	-
Sales of Fixed Assets	-	-
Purchase of Investments-Long Term	(178,177,700)	-
Purchase of Investments-Short Term	(34,697,520)	-
Dividend Income	1,926,795	-
Sale of Investment	-	-
Net cash used in Investment activities	(B) (210,948,425)	-
C. Cash flow from Financing activities		
Increase/(Decrease) in Term Loan (Net of Repayment)	-	-
Increase/(Decrease) in Unsecured Loan (Net of Repayment)	233,182,425	-
Proceeds from issue of Share Capital	-	-
Dividend Paid (Net)	-	-
Net cash used in financing activities	(C) 233,182,425	-
Net increase / decrease in cash and cash equivalents	(A+B+C) 3,383,811	84,848
Cash & cash equivalents as at 01.04.2010 (opening balance) cash in hand & balance with banks	519,089	434,241
Cash & cash equivalents as at 31.03.2011 (closing balance) cash in hand & balance with banks	3,902,900	519,089

Note: Figures in brackets represent outflows

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

For and on behalf of the Board of Directors

Devdas Bhat
Partner
Membership No. 48094

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

Annual Report 2010-11

Disclosures of details as required by Revised Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Para 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

Liabilities Side

	Amount Outstanding	Rs. In Lakhs Amount Overdue
1 Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid	0.00	0.00
a. Debentures	0.00	0.00
Secured	0.00	0.00
Unsecured (other than falling within the meaning of Public Deposits)	0.00	0.00
b. Deferred Credits	0.00	0.00
c. Term Loans	0.00	0.00
d. Inter-corporate loans and borrowing	0.00	0.00
e. Commercial Paper	0.00	0.00
f. Other loans	2331.82	0.00
Total	2331.82	0.00

Assets Side

	Rs. In Lakhs Amount Outstanding
2 Break up of Loans and Advances including bills receivables (other than those included in [4] below):	
a. Secured	0.00
b. Unsecured	0.00
Total	0.00
3 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i) Lease assets including lease rentals under sundry debtors:	
a. Financial Lease	0.00
b. Operating Lease	0.00
(ii) Stock on hire including hire charges under sundry debtors:	
a. Assets on hire	0.00
b. Repossessed Assets	0.00
(iii) Other loans counting towards AFC activities:	
a. Loans where assets have been repossessed	0.00
b. Loans other than (a) above	0.00
Total	0.00

K L G Capital Services Limited

Disclosures of details as required by Revised Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Para 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

Assets Side	Rs. In Lakhs
	<u>Amount Outstanding</u>
4 Break-up of Investments:	
Current Investments:	
1. Quoted:	
(i) Shares:	
a. Equity	346.98
b. Preference	0.00
(ii) Debentures and Bonds	0.00
(iii) Units of Mutual Funds	0.00
(iv) Government Securities	0.00
(v) Others	0.00
Total	<u>346.98</u>
2. Unquoted:	
(i) Shares:	
a. Equity	0.00
b. Preference	0.00
(ii) Debentures and Bonds	0.00
(iii) Units of Mutual Funds	0.00
(iv) Government Securities	0.00
(v) Others	0.00
Total	<u>0.00</u>
Long Term Investments:	
1. Quoted:	
(i) Shares:	
a. Equity	899.17
b. Preference	0.00
(ii) Debentures and Bonds	0.00
(iii) Units of Mutual Funds	0.00
(iv) Government Securities	0.00
(v) Others	0.00
Total	<u>899.17</u>
2. Unquoted:	
(i) Shares:	
a. Equity	918.61
b. Preference	0.00
(ii) Debentures and Bonds	0.00
(iii) Units of Mutual Funds	0.00
(iv) Government Securities	0.00
(v) Others	0.00
Total	<u>918.61</u>

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Disclosures of details as required by Revised Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Para 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

5 **Borrower group-wise classification of assets financed as in (2) and (3) above:** (Rs. in lakhs)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
a. Subsidiaries	0.00	0.00	0.00
b. Companies in the same group	0.00	0.00	0.00
c. Other related parties	0.00	0.00	0.00
2. Other than related parties	0.00	0.00	0.00
Total	0.00	0.00	0.00

6 **Investor group-wise classification of all investments (current and long term) in shares and securites (both quoted and unquoted):** (Rs. in lakhs)

Category	Market Value / Break up of fair value or NAV	Book Value
1. Related Parties		
a. Subsidiaries		36.00
b. Companies in the same group		0.00
c. Other related parties		0.00
2. Other than related parties		0.00
Total	36.00	36.00

7 **Other Information** (Rs. in lakhs)

(i) Gross Non-performing Assets	
a. Related parties	0.00
b. Other than related parties	0.00
(ii) Net Non-performing Assets	
a. Related parties	0.00
b. Other than related parties	0.00
(iii) Assets acquired in satisfaction of debt	0.00

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.
Chartered Accountants
Firm Registration Number : 110100W

For and on behalf of the Board of Directors

Devdas Bhat
Partner
Membership No. 48094

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

K L G Capital Services Limited

K L G Capital Services Limited

Statement pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Company:

Name of Subsidiary Company	:	KLG Stock Brokers Private Limited
Financial Year of the Subsidiary Company ended on	:	31 st March 2011
No. of Shares held by K L G Capital Services Limited	:	3,50,000 Equity Shares of Rs. 10/- each
Extent of Interest of K L G Capital Services Limited in capital of subsidiary	:	100 %
Net Aggregate amount of Profit / (loss) of the subsidiary so far as it concerns the member of K L G Capital Services Limited and is not dealt with in the accounts of K L G Capital Services Limited	:	NIL
Net Aggregate amount of Profit / (loss) of the subsidiary so far as it concerns the member of K L G Capital Services Limited and is dealt with in the accounts of K L G Capital Services Limited	:	NIL

For and on behalf of the Board of Directors

Hemendra Singh
Whole Time Director

Nilesh Mehta
Director

Place : Mumbai
Date : May 30, 2011

Annual Report 2010-11

K L G Capital Services Limited

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

Dear Shareholders,

As you all may be aware that Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing Circulars 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011, whereby Companies are permitted to send Notices/documents including Annual Report comprising Balance Sheet, Profit & Loss Account, Directors Report, Auditors Report etc. in electronic mode (hereinafter 'the documents') provided the Company has obtained email addresses of its members for sending these documents through email by giving an advance opportunity to every shareholder to register their email address and changes therein from time to time with the Company.

Your Company welcomes the spirit of this green initiative, which will reduce paper consumption to a great extent and allow Shareholders to contribute towards a Greener Environment. This will also ensure promote receipt of communication by Shareholders and avoid their loss/ misplacement in postal transit.

Keeping in view the above, it is proposed henceforth to send the documents to the shareholders in Electronic Form, to the email address provided by you and made available to us by the Depositories. In this backdrop, we wish to intimate/request you as under:-

- (i) Shareholders holding shares in **demat form**, are requested to register/ update their e-mail ID with their respective Depository Participants, if not already done so.
- (ii) Shareholders holding shares in **physical mode** are invited to contribute to the cause of Green Initiative by submitting their email address and changes therein from time to time, along with details such as name, address, folio no., no. of shares held to the Registrars and Share Transfer Agents, M/s Link Intime India Pvt. Ltd. (Formerly Intime Spectrum Registry Ltd.), Address- A-40, 2nd Floor, Naraina Area, Phase – II, New Delhi – 110028. Phones: 41410592 – 94 , Fax No. : 91-011-41410591, Email: delhi@linkintime.co.in

Please note that if the documents sent to you in Electronic Form you will also be entitled to be furnished, free of cost, with a copy of the Balance Sheet of the Company and all other documents required by law to be attached thereto, upon receipt of a requisition from you, any time, as a member of the Company.

As a responsible citizen, we invite you to be a part of the "**Green Initiative**".

Thanking You,

Yours faithfully,

For K L G Capital Services Limited

Hemendra Singh
Whole-Time Director

Dat : May 30, 2011

Place : Mumbai

ATTENDANCE SLIP
K L G CAPITAL SERVICES LIMITED

SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai - 400 023

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 17TH ANNUAL GENERAL MEETING of the Members of the Company at Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400001 on Thursday, September 29, 2011 at 4.00 p.m.

Name of the Shareholder

Signature

FOLIO NO. : _____

NO. OF SHARES _____

D.P. ID No. : _____

Full Name of Proxy

Note: No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

----- Tear here -----

PROXY FORM
K L G CAPITAL SERVICES LIMITED

SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai - 400 023

I / We _____ of _____ in
the District of _____ being a Member/Members of above named
Company hereby appoint _____ of _____
in the district _____ of _____ or _____
failing _____ him _____
of _____ in the District of _____ as my / our proxy vote for
me/us on my/our behalf at the 17th ANNUAL GENERAL MEETING of the Members of the Company to be held on
Thursday, September 29, 2011 and at any adjournment thereof.

Signed this _____ day of _____, 2011.

Reg. Folio No. _____

DP ID No. _____

No. of Shares _____

Revenue Stamp Re. 1/-

Signature

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Book-Post

K L G CAPITAL SERVICES LIMITED

Regd.Office & Coporate Office : SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai - 400 023