

BOARD OF DIRECTORS

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

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

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

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

Listing on Stock Exchangesa)Bombay Stock Exchange Ltd
P.J.Towers, Dalal Street,
Mumbai-400 001.

b)Madras Stock Exchange Ltd.,
Exchange Building,
11, Second Line Beach,
Chennai 600 001.

NOTICE

Notice is hereby given that 29th Annual General Meeting of KLK ELECTRICAL LIMITED will be held at 4th floor, Mathura Krupa Towers, 51,North Boag Road,T.Nagar Chennai-600 017 on 30th of September 2010 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2010 and Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of **Shri. J.M. MENEZES**, who retires by on that date and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors.

SPECIAL BUSINESS:

4. To Consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED that Shri. V. MANI, who was appointed as an Additional Director of the Company by the Board of Directors of the Company and who holds office upto the date of the Annual General Meeting and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under section 257 of the Companies Act, 1956, proposing his candidature for office of director, be and is hereby appointed as a Director, of the Company liable to retire by rotation."

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

"RESOLVED that pursuant to the provisions of section 198, 269, 309 and all other applicable provisions if any of the Companies Act, 1956 read with Schedule XIII to the said Act, and subject to the receipt of requisite approvals the Company hereby accords its approval for the appointment of Shri. V. LAVAKUMAR as Chairman with effect from 30th September, 2010 for a period of 5 years."

"RESOLVED FURTHER that Shri. LAVAKUMAR be paid a remuneration of not exceeding Rs.75000/- p.m. including perquisite and the Board of Directors be authorized to revise it from time to time within the aforesaid ceilings."

"RESOLVED FURTHER that subject to superintendence, control and direction of the Board, Shri. V. LAVAKUMAR shall perform such duties and functions as would be commensurate with his position as Chairman of the Company and as may be delegated to him by the Board from time to time."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take such steps as it may consider necessary or expedient to give effect to this Resolution."

6. To Consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 269 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any Statutory modification thereof, the appointment of Shri. V. MANI as Managing Director of the Company on a remuneration not exceeding Rs.100000/- p.m including perquisite, and revise it from time to time within the aforesaid ceilings for a period of 5 years with effect from 30th September, 2010 be and is hereby approved."

By order of the Board

For KLK Electrical Ltd.

Place : Chennai
Date : 28-08- 2010

(Sd/-) V.Lavakumar
Chairman& Managing Director

NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than forty eight hours before the commencement of the meeting. Form of proxy is enclosed.
2. The Explanatory Statement pursuant to section 173 of the Companies Act, 1956 is given below and forms part of the Notice.
3. Since the Company is yet to declare any dividend, disclosure regarding status of unclaimed dividend under section 205A of the Companies Act, 1956 does not arise.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 29th September, 2010 to Thursday, the 30th September, 2010 (both days inclusive) in connection with the Annual General Meeting.
5. Shareholders are requested to bring their copy of Annual Report to the meeting.
6. Members/ Proxies should bring the attendance slips filled in for attending the meeting.
7. Members are requested to notify immediately any change in their address (with Pin-Code), if any, quoting their registered folio numbers to the Registrar and Transfer Agent M/s. Cameo Corporate Services Limited, "Subramanian Building", 1, Club House Road, Chennai - 600 002.

8. Members seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.

9. Members are requested to quote their folio number and name in all correspondence with the Company.

10. Corporate members intending to send their authorised representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 4:

Shri. V. MANI was appointed as Additional Director of the Company by the Board of Directors at their meeting held on 15th May, 2010. According to the provisions of section 260 of the Companies Act, 1956, read with the Articles of Association of the Company, Shri. V. MANI holds office of Director upto the date of the ensuing Annual General Meeting of the Company. The notice has been received from the members as required by section 257 of the Companies Act, 1956 signifying their intention to propose the appointment of Shri. V. MANI as the Director of the Company liable to retirement by rotation.

Shri.V.Mani is a post graduate in Electronics & Communication Engineering From Stanford University USA and carries with him vast experience in the field for more than 25 years. The Board of Directors is of the view that appointment of Shri.V.MANI with his skills in finance, management and industry would be of immense benefit to the Company and recommends his appointment for your approval.

None of the Directors except Shri.V.MANI is concerned or interested in the resolution.

ITEM NO.5

Shri. V. LAVAKUMAR, who is the founder of the Company and was instrumental in the efficient management of the Company. Therefore your Directors consider it inevitable and most advantageous to continue to receive the benefit of the expert advice and guidance of Shri. V. LAVAKUMAR as Chairman of the Company for a period of 5 years with effect from 30th September, 2010 on the terms and conditions along with the payment of remuneration not exceeding to a sum of Rs.75000 p.m. including perquisite as specified in the Resolution.

The Board recommends the resolution for approval of the shareholders.

Except Shri. V. LAVAKUMAR, None of the other Directors are concerned or interested in the proposed Resolution.

ITEM NO.6

Shri.V.MANI, who is known for his managing skills is to be appointed as Managing Director of the Company on a remuneration of Rs.100000 p.m. including perquisite, for a period of 5 years with effect from 30th September, 2010 to look after the day to day management and administration of the affairs of the Company.

In light of the above, your directors consider it desirable and advantageous to appoint Shri.V.MANI as Managing Director in the interest of the Company's progress.

Except Shri.V.MANI, none of the other Directors may be deemed to be concerned or interested in the proposed resolution. The resolution is recommended for approval of the shareholders.

By order of the Board,

Place : Chennai
Date : 28.08.2010

for KLK Electrical Ltd.
(V. Lavakumar)
Managing Director

DIRECTOR'S REPORT TO THE MEMBERS

Dear Members,

Your Directors have great pleasure in presenting the 29th Annual Report of the Company with audited accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS.

Particulars	31.03.2010 (Rs. In Lakhs)	31.03.2009 (Rs. In Lakhs)
Sales	90.84	8.83
Service Charges	--	16.99
Other Income	--	--
Profit/ (Loss) Before Dep. & Tax	2.42	0.08
Depreciation	0.30	0.37
Profit/ (Loss) After depreciation	2.12	(-)0.29
Provision for Taxation	NIL	NIL
Profit After tax	2.12	NIL
Investment allowance reserve	NIL	NIL
Transferred to General Reserve	NIL	NIL
Provision for divided	NIL	NIL
(Loss) Balance C/F to next year	(66.90)	(69.02)

OPERATIONS:

The Company achieved turnover of Rs.90.84 Lakhs (Previous Year Rs. 25.82 Lakhs). Your Directors are hopeful that the activities of the Company would improve during the Current financial year.

DEPOSITS:

The Company has not invited / received any fixed deposits during the year under review as per section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

DIVIDEND:

Your directors have not recommended any dividend for the financial year ended 31st March, 2010 to the members due to Loss.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association Shri. J. MENEZES, Director is due to retire by rotation and is eligible for re-appointment.

On 15th May, 2010 Shri. V. MANI was appointed as Additional Director on the Board. Shri. V. LAVAKUMAR is to be appointed as chairman and Shri. M. MANI to be appointed as Managing Director.

The appointment of the aforesaid Additional Director, Chairman and Managing Director shall be put forth at the ensuing Annual General Meeting for the Members approval.

5. The Company has closed its Register of Members and Share Transfer Books from 24th September, 2009 to 25th September, 2009 (both inclusive) and necessary Compliance of section 154 of the Act has been made. The Company does not have any Debenture holders.
6. The Annual General Meeting for the financial year ended on 31st March, 2009 was held on 25th September, 2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its director's or persons or firms or Companies referred in the Section 295 of the Act during the financial year.
9. As informed by the management, the Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. (i). The Company has delivered all the Certificates on allotment of securities and on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
- (ii). The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
- (iii). The Company was not required to post warrants to any members of the Company as no dividend was declared during the financial year.
- (iv). The Company was not required to transfer any amounts in unpaid dividend account, application money due to 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). The Company has generally complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole-Time Director/Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
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 thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from directors and others during the financial year ending 31st March, 2010 are within the borrowing limits of the Company.
25. The Company has not made loans and advances or investments or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not 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 informed by the management, there was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year.

For ACHARYA S.K. & ASSOCIATES
Company Secretaries
(S.K. ACHARYA)
PROPRIETOR
FCS 6013 C.P. No. 5903

Date: 18.08.2010

ANNEXURE 'A'

(Forming part of Compliance Certificate dated 18th August, 2010)

Statutory Registers as maintained by M/S KLK Electrical Ltd.

1. Register of Members u/s 150.
2. Index of members u/s 151
3. Register and Returns u/s 163.
4. Minutes Book of Meeting of Board of Directors u/s 193.
5. Minutes Book of Proceedings of General Meeting u/s 193.
6. Books of Accounts u/s 209.
7. Register of Contracts with Companies and firms in which Directors are interested u/s 301.
8. Register of Directors u/s 303.
9. Register of Directors' Shareholdings u/s 307.

ANNEXURE 'B'

(Forming part of Compliance certificate dated 18th August, 2010).

Forms and returns as filed by M/s. **KLK ELECTRICAL LIMITED** with the Registrar of Companies, Tamilnadu during the financial year ended 31st March, 2010.

1. Form 23AC with Balance Sheet as at 31st March, 2009 and Form 23ACA with Profit & Loss Account for the financial year ended 31st March, 2009 filed u/s 220 vide SRN P36930691 on 23.10.2009.

2. Form 20B with Annual Return (Schedule V) as on date of AGM held on 25th September, 2009 filed u/s 159 vide SRN P36931319 on 23.10.2009.

3. Form 66 with Compliance Certificate for the financial year ended 31st March, 2009 filed u/s 383A vide SRN P36925758 on 23.10.2009.

4. Form 1A for Application for Availability of name filed u/s 20 vide SRN A77633477 on 02.02.2010.

5. Form 1A for Application for Availability of name filed u/s 20 vide SRN A81311110 on 24.03.2010.

Company Secretaries
For ACHARYA S.K & ASSOCIATES
(S.K. ACHARYA)
PROPRIETOR
FCS 6013 C.P. No. 5903

Date: 18.08.2010

AUDIT REPORT TO THE MEMBERS OF KLK ELECTRICAL LIMITED

Ladies & Gentlemen,

I have audited the attached Balance Sheet of M/s. **KLK ELECTRICAL LIMITED, CHENNAI**, as at March 31, 2010 and also the Profit and Loss Account and Cash flow Statement for the year ended on that date annexed thereto all of which I have signed under reference to this report. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

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

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

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

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

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

(b) The company had taken interest free unsecured loan from three parties listed in the register maintained u/s.301 of the Act. The maximum amount due during the year was Rs.41,79,827/- and the balance outstanding as at the end of the financial year is Rs.41,79,827/-

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

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

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

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

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

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

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

10(a) According to the records of the company, the company is yet to remit the undisputed income tax arrears of Rs.566,607/- relating to the asst. years 1984 – 85 to 1989 – 90, which is outstanding as at March 31, 2010 for a period of more than six months from the date they become payable.

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

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

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

13. Based on my examination of documents and records, I am of the opinion that the company has not granted during the year any loans or advances on

the basis of security by way of pledge of shares, debentures and other securities.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

e) On the basis of written representation received from the Directors as on 31st March, 2010 and taken on record by the Board of Directors, I report that none of the Director is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of Section 274 of the Companies Act, 1956;

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

i. In the case of Balance Sheet of the State of Affairs of the Company as at March 31, 2010;

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

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

N.SUBRAMANIAN

Chartered Accountant

Membership Number: 21628

Date 28.08.2010

BALANCE SHEET AS AT MARCH 31, 2010

	Sch. No.	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SOURCES OF FUNDS			
SHARE HOLDER'S FUNDS			
Share Capital	1	12,500,000	12,500,000
Reserves & Surplus	2	13,500	13,500
LOAN FUNDS			
Unsecured Loans	3	41,79,827	3,315,408
TOTAL		16,693,327	15,828,908
APPLICATION OF FUNDS			
FIXED ASSETS LESS DEPRECIATION			
Fixed Assets	4	5,703,261	5,733,436
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	5	30,470	30,470
Sundry Debtors	6	12,925,151	5,343,756
Cash on Hand & at Banks	7	12,790	21,603
Loans & Advances	8	437,943	437,943
Sub-Total - A		13,406,353	5,833,771
Less : CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	9a	8,539,638	2,074,360
Provisions	9b	566,607	566,607
Sub-Total-B		9,106,245	2,640,967
Net Current Assets (A-B)	11	4,300,109	3,192,804
PROFIT & LOSS ACCOUNT- LOSS TOTAL			
		<u>6,689,956</u>	<u>6,902,668</u>
TOTAL		<u>16,693,327</u>	<u>15,828,908</u>
Notes on Accounts	11	As per my report of even date attached	

28/08/2010 V. Lavakumar J.M.Menezes N.Subramanian
Chennai Managing Director Director Chartered
Accountant
Mem. No. 21628

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED

MARCH 31, 2010

	Sch. No.	Year ended 31.03.2010	Year ended 31.03.2009
INCOME			
Sale of Computer Softwares		9,084,188	882,799
Service Charges		-	1,698,635
TOTAL		9,084,188	2,581,434
EXPENDITURE			
Consumption of Materials		6,536,000	1,709,965
Sales & Purchase returns		-	158,614
Administrative Expenses	10	2,305,301	705,152
Depreciation	4	30,175	36,695
TOTAL		<u>8,871,476</u>	<u>2,610,425</u>
Net Profit/(Loss) for the year		212,711	(28,991)
Less: Provision for Current Taxation/ FBT Fringe Benefit Tax		-	-
Net (Profit/Loss) After Tax		212,711	(28,991)
Add/Less : Balance Loss b/f from previous year		(6,902,668)	(6,873,676)
Balance Loss Carried to Balance Sheet		(6,689,956)	6,902,668
Earnings per share		0.17	(0.02)
Notes on Accounts	11	As my report of even date attached	

24/05/2008 V. Lavakumar J.M.Menezes N.Subramanian
Chennai Managing Director Director Chartered
Accountant
Mem. No. 21628

Schedules to Balance Sheet as at March 31, 2010

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs
1. SHARE CAPITAL		
Authorised Capital		
2,000,000 Equity Shares of Rs.10/- each	20,000,000	20,000,000
Issued and Subscribed Capital		
1,250,000 Equity Shares of Rs.10/- each fully paid-up for cash at pat	12,500,000	12,500,000
2. RESERVES & SURPLUS		
Capital Reserve	13,500.00	13,500.00
3. UN-SECURED LOANS		
From Directors & their relatives	4,179,827	3,315,408
5. INVENTORIES		
(At cost or market value which ever is lower – certified by management)		
Raw Materials	30,470	30,470
Total	30,470	30,470
6. SUNDRY DEBTORS		
(Unsecured-Considered good)		
Debts outstanding for more than 6 months	3,840,963	5,343,756
Other debts	9,084,963	-
	12,925,151	5,343,756
7. CASH & BANK BALANCES		
Cash on hand	-	2,132
Balances with Scheduled Banks		
e. In current accounts	12,790	19,470
	12,790	21,603
8. LOANS & ADVANCES		
(Unsecured – Considered good)		
Tax Deducted at Source	236,943	236,943
Other Advances	1,000	1,000
Rent Advance	200,000	200,000
	437,943	437,943
9.CURRENT LIABILITIES & PROVISIONS		
a. CURRENT LIABILITIES		
Sundry Creditors – For Expenses	81,204	44,511
Sundry Creditors – For Trade	8,170,228	1,634,228
Advance received against sales/service	288,206	393,206
TDS Payable	-	2,415
	8,539,638	2,074,360
b.Provision for Incom tax	566,607	566,607

10. ADMINISTRATIVE EXPENSES

Director's Sitting Fees	4,000	1,000
Web site designing charges	-	1409
Legal & Consultancy Charges	58,498	45,067
Salaries and wages	742,000	-
Bad debts written off	1,361,613	531,172
Registration & Relisting Fees	98,311	74,985
Postage & Telephone Charges	1,521	1,889
Printing & Stationery	512	1,417
Board Meeting Expenses	662	587
Office Maintenance	1,441	13,316
Advertisement Charges	6,750	10,800
Bank charges	2,419	1,406
Auditor's Remuneration for Statutory Audit	27,575	22,060
		705,152

**SCHEDULE-11:
NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED
MARCH 31, 2010**

A. ACCOUNTING CONCEPTS:

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

B. ACCOUNTING POLICIES

a.REVENUE RECOGNITION

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

b.FIXED ASSETS

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

c.DEPRECIATION

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

d. INVESTMENTS

There are no investments held by the company.

e.INVENTOREIS

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

f.RETIREMENT BENEFITS

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

g.FOREGIN EXCHANGE TRANSACTIONS

There are no foreign exchange transactions.

h.LEASES

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

i.TAXATION

Provision for current tax, if any, is made in accordance with the provisions of Income tax Act, 1961. Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the prudence, of timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more periods.

j.CONTINGENCIES

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

k.INTANGIBLE ASSETS

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

I.EARNINGS PER SHARE

The company reports basic and diluted earnings per share in accordance with the Accounting Standard – 20 – 'Earnings Per Share'.

C. NOTES ON ACCOUNTS

1.Contingent Liabilities: Nil (Previous Year: Nil)

2.During the year 1995 – 96 the Company re-issued 2,700 Equity shares, which were earlier forfeited. After re-issue of shares an amount of Rs.13,500/- has been transferred from Share Forfeiture Account of Capital Reserve Account.

3.The Company has entered into a Foreign Collaboration Agreement with M/s. Elin Union, Austria, for the transfer of Technical Know-how for the manufacture of Isolators and Load Back Switches for which two instalments of the technical know-how fees has been paid. The company has received the technical know-how and the relevant drawings and specifications for the payments made.

4.Advance for capital expenditure represents the technical know-how fees paid to the foreign collaborator, restated at the exchange rate as on 31.03.2003 to represent the ruling market price at that point of time. No further revaluation was considered necessary during the current year. The amount spent for acquiring the technical know-how including all pre-operative expenses incurred for the same has been capitalized as on March 31, 2010 as the company is exploring the possibility of reviving its activity for manufacture of isolators etc.

5.Remuneration provided to the Managing Director: Nil (Previous Year: Nil). In view of the inadequacy of profits, under Section 349 and Section 350 of the Companies Act, 1956, no remuneration or perquisites has been provided during the year

	Y.E.31.03.2010	Y.E.31.03.2010
6.Value of Imports calculated on CIF Basis	Nil	Nil
7. Expenditure in Foreign Exchange	Nil	Nil
8. Earnings in Foreign Exchange	Nil	Nil

9.Earnings Per Share:

Net Profit/ (Loss) After tax (Rs.)	2,12,711	(28,991)
Shares outstanding (Nos.)	12,50,000	12,50,000
Face value per equity share (Rs.)	10.00	10.0
Earnings per share (both basic and diluted) (Rs.)	0.17	(0.02)

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

11.As none of the employees of the company were eligible for retirement benefits, no provision for retirement cum death gratuity made.

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

13.The Company has obtained confirmations of balances from all the debtors and creditors.

14.Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small & Medium Enterprises Development Act, 2006 (MS & MED) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises (MS&ME). On the basis of the information and records available with the Company, there are no amounts due to Micro and Small Enterprises as on 31.03.2010.

15.Other Accounting Standards

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

b.Segment Reporting: As there was no activity in the Company other than providing computer software sales, there are no items to be reported under segment reporting.

c.Deferred tax: In the opinion of the company there is only deferred tax asset, consists of depreciation allowance and the company is not sure of getting the benefit of the same in future and hence the same not recognized.

As per report of even
V.Lavakumar date attached
Place: Chennai Chairman and J.M. Menezes SUBRAMANIAN
Date: 28-08-2010 Managing Director Director Chartered Accountant

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

Name of the Company: KLK ELECTRICAL LIMITED

Registration No.:8230

Balance Sheet Date:31.03.2010

a. Capital Raised during the year: (Amount in Rs.'000)

Public Issue:Nil Rights Issue:Nil

Bonus Issue:Nil Private Placement:Nil

b. Position of mobilization and deployment of funds (Amount in Rs.'000)

Total Liabilities:26,088

Total Assets:26,088

Sources of Funds:

Paid-up Capital:12,500

Reserves & Surplus:14

Secured Loans: Nil

Unsecured Loans: 4,179

Application of Funds:

Net Fixed Assets: 5,703

Investments: 0

Net Current Assets: 1,560

Misc. Expenditure: 0

Accumulated Losses: 6,690

Performance of Company (Amount in Rs.'000)

Turnover: 9,084

Expenditure: 8,871

Profit Before Tax 213

Profit After Tax 213

Earnings per share in Rs: (0.02)

d.Generic Names of principal products/services of the Company

(As per monetary terms):

Item code No. (ITC Code): 854490.00 8535.00 8537.00

Product Description: Bus duct with Isolator Drives, cubicle
Accessories upto 36 KV up to 36 KV for
Distribution
Panels

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

V. Lavakumar

Chairman and Managing Director

J.M. Menezes

Director

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

Name of the Company: KLK ELECTRICAL LIMITED

Registration No.:8230

State Code:

18

Balance Sheet Date:31.03.2009

c. Capital Raised during the year: (Amount in Rs.'000)

Public Issue:Nil Rights Issue:Nil

Bonus Issue:Nil Private Placement:Nil

d. Position of mobilization and deployment of funds (Amount in Rs.'000)

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

Sources of Funds:

Paid-up Capital:12,500

Reserves & Surplus:14

Secured Loans: Nil

Unsecured Loans: 3,315

Application of Funds:

Net Fixed Assets: 5,733 Investments:0

Net Current Assets: 3,193 Misc. Expenditure: 0

Accumulated Losses: 6,903

Performance of Company (Amount in Rs.'000)

Turnover: 2,581 Expenditure: 2,610

Profit Before Tax (29) Profit After Tax (29)

Earnings per share in Rs: (0.02)

Dividend Rate (%):

Nil

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

Item code No. (ITC Code):854490.00 8535.00 8537.00

Product Description: Bus duct with Isolator up to Drives, cubicle Accessories 36 KV up to 36 KV for Distribution Panels

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

V. Lavakumar
Chairman and Managing Director

J.M. Menezes
Director

KLK ELECTRICAL LIMITED

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

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

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

NAME AND ADDRESS OF THE SHARE HOLDER

Master Folio No.									
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No. of Shares held :

I hereby record my presence at the Twenty ninth Annual General Meeting of the Company held on the 30th September 2010 at 3.00 P.M. at 4th floor Mathura Krupa,51,North Boag Road, T.Nagar Chennai-600 17

SIGNATURE OF THE SHAREHOLDER OR PROXY

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PROXY

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

Master Folio No.									
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I We being a member of KLK ELECTRICAL LIMITED hereby appoint Of or failing him of As my/our proxy to vote for me/us and on my/our behalf at the Twenty ninth Annual General Meeting of the Company to be held on 30th September 2010 at 3.00 P.M. at 4th floor, Mathura Krupa,51,North Boag Road T.Nagar Chennai-600 017 Signed day of 2009

Affix a 1
Rupee
Revenue
Stamp

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