

BOARD OF DIRECTORS

| | | |
|-----------------------|---|--------------------------|
| Shri Prahalad Panchal | : | Managing Director |
| Shri Mahesh Shah | : | Ind. Director (Non-Exe.) |
| Shri Mahendra Vashi | : | Ind. Director (Non-Exe.) |
| Shri Mitesh Jani | : | Director |
| Shri Ankur J Shah | : | Non Exe. Chairman |

REGISTERED OFFICE:

206, Helix Complex
Opp. Hotel Surya
Sayajigunj,
Baroda – 390005

ANNUAL GENERAL MEETING

Day : Friday
Date : Sept. 30, 2011
Time : 11.00 a.m.
Venue : 206, Helix Complex
Opp. Hotel Surya,
Sayajigunj, Baroda – 390005

AUDITORS

Bhadresh B. Sanghavi & Associates
9-Sumati Building, Mulund (W),
M. G. Road,
Mumbai

REGISTRAR & TRANSFER AGENT

M/s Purva Sharegistry India Pvt.Ltd.
9, Shiv Shakti Ind. Estate,
J.R.Boricha Marg, Opp. Kasturba Hosp
Lower Parel(E), Mumbai – 400 011

BANKERS

KOTAK MAHENDRA BANK
HDFC BANK LTD.
INDUSIND BANK LTD
AXIS BANK LTD.

BOOK CLOSURE

28-09-2011 to 30-09-2011

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the members of Kailash Ficom Limited will be held on the 30th Sept., 2011, at 11.00 a.m. at its Registered Office at 206, Helix Complex, Opp. Hotel Surya, Sayajigunj, Baroda – 390 005, to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date together with the Auditors and Directors Report thereon.
2. To appoint a Director in place of Mitesh Jani, Director of the Company who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Bhadresh B. Sanghavi & Associates., retiring auditor, to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
2. The proxy form should be deposited at the Regd. Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer book of the company will remain closed from 28-09-2011 to 30-09-2011.
4. Share holders are requested to mail their Demat request, Share Transfers and Address change request at the Registered Office of the Company. The Company has appointed M/s. Intime Spectrum Registry Limited, Mumbai for handling share transfer job and also for maintaining electronic connectivity with NSDL and CDSL who have allotted ISIN ACTIVATION NUMBER AS – ISIN No.- INE259E01024.
5. Members desirous of making nomination in terms of Section 109A of the Act, 1956 in respect of their shareholding may approach the Registrar for assistance, Shareholders holding shares in electronic form may approach their DP with whom they maintain their account for nomination.

By order of the Board
For **KAILASH FICOM LIMITED**

Place : Baroda
Date : 29-08-2011

Sd/-
Ankur J. Shah
CHAIRMAN

DIRECTORS' REPORT OF THE MEMBERS

To,
The Members of the Company,

Your Directors have pleasure in presenting before you the 30th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2011.

| FINANCIAL RESULTS | (Amt . Rs. In Lakhs) | |
|------------------------------|------------------------------|------------------|
| | 2010-2011 | 2009-2010 |
| Total Income | 33.33 | 72.36 |
| Total Expenditure | 23.71 | 21.34 |
| Profit before Tax | 9.61 | 51.02 |
| Profit after Tax | 9.61 | 43.01 |
| Paid Up Equity Share Capital | 530.00 | 530.00 |
| Reserve & Surplus | 223.40 | 223.40 |

FINANCIAL & OPERATIONAL HIGHLIGHTS

The liquidity crunch has resulted in drastic cut in hire premium business of the Company hence the Company approached the new areas of business and thus earned the satisfactory profit. The overall performance of the Company is satisfactory.

DIVIDEND

The Board of Directors of the Company has not declared any dividend for 2010-11.

FIXED DEPOSITS

The Company has not accepted deposits from the public during the year attracting the provisions of section 58A of the Co. Act, 1956 and Rules framed there under.

SSI DUES

The Company has no dues outstanding for more than 30 days to any small scale undertaking.

AUDIT COMMITTEE

The Company has formed an Audit committee comprising of 3 directors. The terms of the reference of the committee are in line with the requirements specified u/s. 292A of the Co-Act, 1956 and Corporate Governance as stated in Clause 49 of the Listing Agreement.

DIRECTORS

During the year under review, Mr. Mitesh Jani, will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

AUDITORS

M/s. Bhadresh B. Sanghavi & Associates, Chartered Accountants have given their consent for re-appointment of Auditors of the Company.

PARTICULARS OF EMPLOYEES

There was no employee in the Company whose particulars are required to be furnished as per section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO.

The information under section 217(1) (e) of the Companies Act, 1956 on Conservation of Energy, Technology Absorption as required to be disclosed is not applicable to your company since it is engaged in the financial activities.

During the year under review the Company has no foreign exchange earnings and outgo.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act. 1956 the Directors confirm :

- (a) that in the preparation of annual accounts, the applicable accounting standards have been followed;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the Annual Accounts on a going concern basis.

CORPORATE GOVERNANCE AND COMPLIANCE

A report on corporate governance along with Management Discussion and Analysis is annexed to this report. A certificate from Statutory Auditors with regards to the compliance of the corporate governance, as stipulated in Clause 49 of the Listing Agreement, by the company is annexed to this report.

The company has fully complied with all mandatory requirements prescribed under Clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

ACKNOWLEDGEMENT

Your Directors wish to express their sincere appreciation for the co-operation and support received from Banks, shareholders, customers, Officers and other employees of the Company throughout the year.

Place : Baroda
Date : 29-08-2011

By order of the Board
For **KAILASH FICOM LIMITED**
Sd/-
Ankur J. Shah
CHAIRMAN

ANNEXURE –A to the Director’s Report for the year ended 31st March, 2011.**REPORT ON CORPORATE GOVERNANCE****1. COMPANY’S PHILOSOPHY**

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organisation’s functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company’s policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients’ interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of five Directors including the Non-Executive Chairman. Out of 5, 2 directors are non-executive independent directors. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

Board procedure

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

Composition, Category of Directors and their other directorship and Membership / Chairmanship of Committees.

| Sr. No. | Name of the Director | Category | Number of other | | |
|---------|----------------------|------------------|-----------------|-----------------------|-------------------------|
| | | | Director-ships | Committee Memberships | Committee Chairmanships |
| 1 | PRAHALAD PANCHAL | M.D. | - | 3 | NIL |
| 2. | MAHESH SHAH | IND.DIR | - | 3 | 2 |
| 3. | MAHENDRA VASHI | IND.DIR | - | 2 | 1 |
| 4 | MITESH JANI | DIR. | - | 1 | NIL |
| 5 | ANKUR SHSH | NON-EXE CHAIRMAN | - | NIL | NIL |

During the year Five Board Meetings were held on 27-04-2010, 25-07-2010, 29-08-2010, 25-10-2011 & 25-01-2011. The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

| SR.NO | NAME OF DIRECTORS | NO. OF BOARD MEETING ATTENDED | ATTENDANCE AT THE AGM HELD ON 30-09-2010 |
|-------|-------------------|-------------------------------|--|
| 1 | PRAHALAD PANCHAL | 5 | YES |
| 2 | MAHESH SHAH | 5 | YES |
| 3 | MAHENDRA VASHI | 5 | YES |
| 4 | MITESH JANI | 5 | YES |
| 5 | ANKUR J SHAH | 5 | YES |

3. AUDIT COMMITTEE

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in Clause 49 of the Listing Agreement. The Details of Audit Committee meetings held during the year April 2010 to March 2011 and the attendance of the Audit Committee Members are as under:

| SR.NO | DIRECTOR NAME | CATEGORY | NO OF MEETING | |
|-------|------------------|---------------------|---------------|----------|
| | | | HELD | ATTENDED |
| 1 | PRAHALAD PANCHAL | M.D. | 5 | 5 |
| 2 | MAHESH SHAH | IND. DIR & CHARIMAN | 5 | 5 |
| 3 | MAHENDRA VASHI | IND. DIR. | 5 | 5 |

Terms of Reference:-

The terms of reference for the audit committee as laid down by the Board include the following:-

- (ii) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (iii) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- (iv) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements concerning financial statements; any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- (v) Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.
- (vi) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- (vii) viewing the Company's financial and risk management policies.
- (viii) To review the functioning of the Whistle Blower Policy adopted by the Company.
- (ix) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

4. REMUNERATION COMMITTEE

This is a non-mandatory requirement. The company has constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company.

The Remuneration Committee consists of Mr. Mahendra Vashi, Ind.Dir. & Chairman of the committee, Mr. Mahesh Shah, Director, Mr. Prahalad Panchal, Managing Director. Two meeting of the committee held during the year under review.

5. SHARE HOLDER'S GRIEVANCE AND SHARE TRANSFER COMMITTEE**Composition:-**

The said committee comprises of Mahesh Shah, Ind. Director & Chairman of the said committee, Mitesh Jani, Director and Prahalad Panchal, Managing Director. There are 4 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

Terms of reference:-

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares non receipt of annual report, non receipt of declared dividend etc.

Compliance Officer:-

The company has designated Mr. Prahalad Panchal as Compliance Officer.

Summary of Investors' Complaints:-

During the year 18 letters / complaints were received from the share holders, out of which NIL letters/ complaints were still pending to be resolved.

Annual General Meeting :-

The Annual General Meeting (AGMs) of the company have been held at the following places in the last three years.

| YEAR | DATE | TIME | VENUE |
|-----------|------------|-----------|---|
| 2007 - 08 | 30-09-2008 | 11.00 A.M | REGD. OFFICE - 206 Helix Complex, Opp. Hotel Surya, Sayaji Gunj, Baroda - 390005 |
| 2008 - 09 | 30-09-2009 | 11.00 A.M | REGD. OFFICE - 206 Helix Complex, Opp. Hotel Surya, Sayaji Gunj, Baroda - 390005 |
| 2009 - 10 | 30-09-2010 | 11.00 A.M | REGD. OFFICE - 206 Helix Complex, Opp. Hotel Surya, Sayaji Gunj, Baroda - 390005 |

No resolution was put through postal ballot during the fin. Year 2010-11.

6. DISCLOSURES :-

There were no transaction by the company of material significance with related parties i.e. its Promoters, Directors of Companies or the Management or their relatives during the year which may have potential conflict with interest of the Company at large.

7 . MEANS OF COMMUNICATION:

- (i) The periodical unaudited / audited financial results are published in Vadodara Samachar (Gujarati) and Business Standard (English) as required under the Listing Agreement. All financial and other vital information is promptly communicated to the stock exchanges on which company's shares are listed.
- (ii) The Management Discussion and Analysis report prepared by the management and forming part of the Annual Report is separately attached.

8. GENERAL INFORMATION FOR SHAREHOLDERS:**(a) Regd. Office:-**

206 Helix Complex, Opp. Hotel Surya, Sayaji Gunj, Baroda – 390 005.

(b) Date, Time, Venue of Annual General Meeting:-

30th September, 2011 at 11.00 AM at the Regd. Office- 206 Helix Complex, Opp. Hotel Surya, Sayaji Gunj, Baroda – 390 005.

(c) Financial Reporting for the quarter ending:-

| | |
|----------|---------------|
| JUNE 30 | : END JULY |
| SEPT 30 | : END OCTOBER |
| DEC 31 | : END JANUARY |
| MARCH 31 | : END APRIL |

(d) Date of Book Closure :

28.09.2011 to 30.9.2011 (both days inclusive)

(e) Listing Details :

| | |
|---------------------------------------|--------------------|
| Vadodara Stock Exchange, Vadodara | : No Stock Code |
| Rajkot Stock Exchange, Rajkot | : Scrip Code 43600 |
| Bombay Stock Exchange Limited, Mumbai | : Scrip Code 30955 |
| M. P. Stock Exchange, Indore | : No Stock Code |

The Company has paid listing fees to all Stock Exchanges till March 2011.

(f) Market price data:

During the year ended 31-3-2011 the equity share have been traded actively on BSE, Mumbai whose details are given as below:-

| MONTH | HIGH | LOW |
|--------------|-------------|------------|
| APRIL -10 | 41.00 | 33.60 |
| MAY - 10 | 36.45 | 26.25 |
| JUNE- 10 | 41.25 | 27.05 |
| JULY - 10 | 51.00 | 40.30 |
| AUG - 10 | 47.00 | 40.25 |
| SEPT - 10 | 46.95 | 38.15 |
| OCT - 10 | 51.45 | 41.00 |
| NOV - 10 | 54.80 | 36.60 |
| DEC - 10 | 57.00 | 33.90 |
| JAN - 11 | 59.40 | 40.57 |
| FEB - 11 | 50.00 | 33.20 |
| MAR - 11 | 62.05 | 30.35 |

(g) Registrar And Transfer Agent:

M/S. PURVA SHARE REGISTRY INDIA PVT. LTD
9. SHIV SHAKTI IND. ESTATE, J.R. BORICHA MARG,
OPP. KASTURBA HOSP. LOWER PAREL (E), MUMBAI - 400011

(h) Share Transfer System:

The Company has a Share holders/ Investors grievance Committee who looks after share transfer job by meeting at regular intervals depending upon the receipt of the shares for transfer.

(i) Investor Services:

The Company has received 18 complaints from the shareholders/investors during the year and all are resolved.

(j) Distribution Of Shareholding As On 31st March, 2011

| SHARE HOLDING PATTERN | | |
|------------------------------|----------------------|------------|
| Category | No. of Shares | % |
| Promoters & Promoters Group | 104400 | 0.98 |
| Corporate Bodies | 6707923 | 63.28 |
| NRIs / OCBs | 22345 | 0.21 |
| Public | 3765332 | 35.53 |
| Total | 10600000 | 100 |

(k) DEMATERIALISATION OF SHARES AND LIQUIDITY :

The Company has entered into MOU with Intime Spectrum Registry Limited, Mumbai for electronic connectivity and presently almost 92% shareholdings are in dematerialized form as on 31st March, 2011.

DISPOSAL OF INVESTOR GRIEVANCES

The average time required by the Company or Registrar to the issue for the redressal of routine investor grievances is estimated to be seven working days from the date of receipt of the complaint. In case of non-receipt routine complaints and where external agencies are involved. The Company or Registrar will strive to redress these complaints as expeditiously as possible.

CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT

The Managing director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of Clause 49 as required under Clause 49 of the listing agreement.

WHISTLE BLOWER POLICY

Recently, the Security & Exchange Board of India has also prescribed the adoption by all listed companies, of a Whistle Blower Policy as a non-mandatory requirement. The company has adopted a Whistle Blower Policy, which affords protection and confidentiality to Whistle blowers. The Audit Committee Chairman is authorized to receive Protected Disclosures under this Policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

No personnel have been denied access to the Audit Committee. As of March 31, 2011, no Protected Disclosures have been received under this policy.

CODE OF CONDUCT

The Company's Board of Directors has adopted the code of conducts which govern the conduct of all directors /employees. All Directors and senior management personnel have affirmed compliance with respective codes for the year ended on 31st March 2011.

IMPLEMENTATION OF NON-MANDATORY CORPORATE GOVERNANCE REQUIREMENTS

The company has implemented the following non-mandatory requirements as stated in clause 49 of the listing agreement with respect to Corporate Governance:-

- (i) Remuneration Committee:- Already details have been given earlier.
- (ii) Whistler Blower policy:- Under this policy employees of the Company can report to the management about unethical behaviour, actual or suspected fraud or violation of code of conduct or ethics policy. It is the company's policy to insure that the Whistler Blower are not victimized or denied direct access to the chairman of the Audit Committee. The existence of said policy mechanism has been communicated to all employees.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is in the business of financial activity. The key issues of the Management Discussion and Analysis are given below.

(a) Industry Structure and Developments

The company is engaged in Leasing & Hire Purchase activities but presently the said business is not giving any substantial earning to the Company hence Company is presently engaged in consultancy, share broking and share trading mainly.

The fortunes of the Finance industry are, to a large extent, linked to the growth of the Industry and Investment sentiments of the people. The Industry is facing intense competition from the Foreign Financial Institution.

(b) Strength

The strength of the company is known from its reputation which the company has earned due to its quality business and cordial relation with its clients and presently the company's financial position is sound due to boom in capital market because of governmental support.

(c) Comment on Current year's performance

| | |
|--------------------|---|
| Receipts | : The Receipt has significantly increased. |
| Operating Expenses | : The operating Expenses are well under control. |
| Operating Profits | : The Operating Profits are up to industry mark. |
| Indirect Expenses | : The Indirect Expenses are under control. |
| Depreciation | : Reasonable amount of Depreciation is provided. |
| Profit before tax | : Profit before tax is also showing an improving trend. |
| Taxation | : Taxation is Provided as per Income Tax Act. |
| Debtor/Sales | : Debtors are reasonable and realization period has decreased due to the policy of the Company. |
| Creditors/Purchase | : The Company has an established credit. |

d) Opportunities and Threats

The impact of boom in capital market and real estate market due to government support has provided a boost to the economy and it is set to grow at 8% to 9% supported by a smart growth in manufacturing and services sectors. This brings prosperity to a country and more and more people go for investment in Share market. Outlook for the year 2012 is positive. While the overall demand outlook for the year 2011 remains good, the Company expects the pressure on quality customers to continue due to competition.

(e) Segment wise performance

The business of the Company falls under a single segment i.e. Share broking, Investment and trading in shares and derivatives for the purpose of Accounting Standard AS-17.

(f) Outlook

The continual growth in the Finance sector is expected to give the necessary support to the Finance industry. The Company is making all efforts to accelerate growth of its business. It expects to improve its position in the market by focusing on technologically advanced and more profitable products/market segments and working aggressively in the areas of productivity, efficiency and cost reductions.

(g) Risk and concerns

The menace of local Finances and play of angadia has further compounded the problems of the organised Finance Industry as they use inferior way of transferring funds. The Stock market is also a risky place to put one's fund. The pull back of FIIs will also have an adverse effect on the share market.

(h) Internal control system

Internal audit and other controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

(i) Developments in human resources and industrial relations

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975 is not required to be given as no employee falls under it. The Company continued to have cordial relations with all the employees.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The Board of Directors,
Kailash Ficom Limited
Vadodara.

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the F.Y ended on 31st March 2011.

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

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said listing agreement.

On the basis of certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of meetings of the Shareholders/ Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

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

Bhadresh B. Sanghavi & Associates.
Chartered Accountants

Date : 29-08-2011
Place :MUMBAI

Sd/
(Bhadresh B. Sanghavi)
Proprietor
M.No.111652

AUDITORS' REPORT

To,
The Members,
M/s. Kailash Ficom Limited, Vadodara,

We have audited the attached Balance Sheet of M/s. **Kailash Ficom Limited**, as at 31st March, 2011 and the annexed Profit and Loss Account and cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements bases on our audit.

We conducted our audit in accordance with 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 the 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 (Auditor's Report) Order 2003 issued by the central Government of India in terms of section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

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

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
- (c) The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the books of account.
- (d) In our opinion and to the best of our information the said Balance Sheet and Profit & Loss Account and cash flow statement comply with the Accounting standard referred to in section 211(3c) of the companies act, 1956.
- (e) On the basis of written representations received from the directors, as on 31st, March, 2011 and taken on record by the Board of Directors, we report that none of the directors 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 Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:-
 - i In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 and
 - ii In so far as it relates to the Profit & Loss Account of the profit of the company for the year ended on that date.
 - iii In the case of the cash flow statement, of the cash flow for the year ended on that date.

Bhadresh B. Sanghavi & Associates.

Chartered Accountants

Sd/

(Bhadresh B. Sanghavi)

Proprietor

M.No.111652

Place :MUMBAI
Date : 29-8-2011

ANNEXURE TO THE AUDITORS REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2011

- i) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
- ii) The fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification as compared with the available records.
- iii) None of the Fixed Assets of the company have been disposed off during the year .
- iv) The stock of finished goods, and raw materials have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- v) The procedure followed by the management for physical verification of stocks is reasonable and adequate in relation to the size of the company and the nature of its business.
- vi) On our basis of examination of stock records, we are of the opinion that the record of stocks is fair and proper in accordance with the normally accepted accounting principle and no material discrepancies were noticed on physical verification.
- vii) There is no loans, secured and unsecured, taken by the company to/from companies, firm or other parties covered in the register maintained u/s. 301 of the Co. Act, 1956.
- viii) Interest free Loans and Advances in the nature of loans have been given to employees and other parties who were generally regular in repaying the principal as stipulated. Where there is delay in repayment, the company has taken reasonable steps to recover the same.
- ix) In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for financial activities.
- x) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- xi) In our opinion and according to the information and explanations given to us, the provisions of section 58-A of the Companies Act, 1956 and Companies (acceptance of deposits) Rules, 1957 are not applicable as the company has not accepted and deposits from the public.
- xii) The company does not have any formal system of internal audit. However in our opinion and according to information and explanations given to us, the internal control procedures are adequate. Considering the size and nature of business of the Company.
- xiii) The Provisions of section 209(1)(d) of the Companies Act, 1956 regarding the maintenance of cost records are not applicable to the company.
- xiv) As informed to us the provision of Provident Fund Act, Employees State Insurance Act provisions of investor education and protection fund, customs duty, excise duty and cess are not applicable to the Company during the year under review.
- xv) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Income-Tax, Wealth Tax, Service Tax and other material statutory dues applicable to it.
- xvi) According to the information and explanations given to us no disputed amounts in respect of Income-Tax, Wealth-tax, Sales-Tax, Customs-Duty and Excise-Duty were outstanding as at 31st, March, 2011 for a period of more than six months from the date they become payable.
- (xvii) According to the information and explanations given to us and based on the generally accepted audit procedures carried out by us no personal expenses of employees or

- directors have been charged to Revenue Account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
- xvii) The Company has accumulated losses at the end of the financial year but it has not incurred any cash losses in the current and immediately preceding financial year.
 - xviii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution, banks or debenture holders.
 - xix) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 - xx) The provisions of any special statute applicable to Chit Funds, Nidhi, or Mutual Benefit Society/fund do not apply to the Company. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
 - xxi) The Shares and other securities have been held by the Company, in its own name as explained to us and proper records in respect thereof have been maintained.
 - xxii) According to the information and explanation given to us, the Company has not given counter guarantee for loans taken by anybody.
 - xxiii) According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
 - xxiv) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained u/s 301 of the Co. Act, 1956.
 - xxv) The Company did not have any outstanding secured debentures during the year.
 - xxvi) The Company has not raised any money through a public issue during the year under review.
 - (xxviii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
 - (xxix) The Company is not a sick Company as per the provisions of SICA, 1985.

Place :MUMBAI
Date : 29-8-2011

Bhadresh B. Sanghavi & Associates.
Chartered Accountants
Sd/
(Bhadresh B. Sanghavi)
Proprietor
M.No.111652

BALANCE SHEET AS AT 31ST MARCH, 2011

| PARTICULARS | SCHE DULE | AS AT 31-03-2011 | AS AT 31-03-2010 |
|---|----------------------|---|-----------------------------|
| SOURCES OF FUNDS | | | |
| Share Holder's Funds | | | |
| Share Capital | 1 | 53000000 | 53000000 |
| Reserve & Surplus | 2 | 22340360 | 22340360 |
| LOAN FUNDS | | | |
| Unsecured Loans | 3 | 0 | 0 |
| TOTAL | | 75340360 | 75340360 |
| APPLICATION OF FUNDS | | | |
| FIXED ASSETS | | | |
| Gross Block | | 718140 | 718140 |
| Less : Accu. Depreciation | | 144772 | 120195 |
| Total Block | 4 | 573368 | 597945 |
| INVESTMENT | | | |
| CURRENT ASSETS, LOANS & ADVANCES | | | |
| Inventories (Stock-in-Trade) | 6 | 0 | 0 |
| Sundry Debtors | 7 | 0 | 4004063 |
| Cash & Bank Balance | 8 | 1771764 | 2648845 |
| Advances & Deposits | 9 | 6077761 | 2635751 |
| | | 7849525 | 9288659 |
| Less : - | | | |
| Current Liability & Provision | 10 | 17361288.4 | 2418423 |
| Net Current Assets | | -9511763.4 | 6870236 |
| MISCELLANEOUS EXPENDITURE | | | |
| | 11 | 28624755 | 29586679 |
| | | 75340360 | 75340360 |
| Notes of Accounts & Significant Accounting Policies | 12 | | |
| For Bhadresh Sanghavi & Associates | | On or behalf of Board For Kailash Ficom Limited | |
| CHARTERED ACCOUNTANTS | | | |
| Sd/- | | Sd/- | |
| (Bhadresh B. Sanghavi) | | PRAHALAD | |
| Proprietor | | PANCHAL | |
| M.ship No. 111652 | | (M.D.) | |
| PLACE : MUMBAI | | M. Vashi | |
| DATE : 29-08-2011 | | (DIRECTOR) | |

PROFIT & LOSS A/C. FOR THE YEAR 2010-11

| PARTICULARS | SCHEDULE | AS AT 31-03-2011 | AS AT 31-03-2010 |
|--|-----------------|-----------------------------|-----------------------------|
| INCOME | | | |
| Turn Over | 13 | -10122652 | 3857727 |
| Other Income | 14 | 13456080 | 3377873 |
| | | 3333428 | 7235600 |
| EXPENDITURE | | | |
| Purchases | | 0 | 0 |
| Administration and General Exp. | 15 | 1588927 | 1488703 |
| Payments for Human Resources | 16 | 758000 | 620782 |
| Depreciation | | 24577 | 24577 |
| | | 2371504 | 2134062 |
| Net Profit before Tax | | 961924 | 5101538 |
| Provision for Sp. Reserve as per RBI norms | | 0 | 0 |
| Provision for Taxation | | 0 | 787311 |
| Deferred Tax Assets | | 0 | -12915 |
| Net Profit after Tax | | 961924 | 4301312 |
| Net Profit as per Last Balance Sheet | | -29586679 | -33887991 |
| Balance Carried to Balance Sheet | | -28624755 | -29586679 |

| | | |
|---|----------------------------------|-----------------|
| For Bhadresh Sanghavi & Associates | On or behalf of Board | |
| CHARTERED ACCOUNTANTS | For Kailash Ficom Limited | |
| Sd/- | Sd/- | Sd/- |
| (Bhadresh B. Sanghavi) | PRAHALAD | M. Vashi |
| Proprietor | PANCHAL | |
| M.ship No. 111652 | (M.D.) | (DIRECTOR) |
| PLACE : MUMBAI | | |
| DATE : 29-08-2011 | | |

| SCHEDULE FORMING PART OF BALANCE SHEET | | | |
|---|--|-----------------------------|-----------------------------|
| PARTICULARS | | AS AT 31-03-2011 | AS AT 31-03-2010 |
| SCHEDULE 1 | | | |
| SHARE CAPITAL AUTHORISED | | | |
| 1,20,00,000 Equity Shares of Rs. 5/- each | | 60000000 | 60000000 |
| Issued Subscribed and Paid up. | | | |
| 1,06,00,000 Equity Shares of Rs. 5/- each | | 53000000 | 53000000 |
| Fully paid up | | 53000000 | 53000000 |
| SCHEDULE 2 | | | |
| RESERVE & SURPLUS | | | |
| Share Premium Account | | 17957550 | 17957550 |
| Spl. Reserve as per RBI norms | | 4362920 | 4362920 |
| Deferred Tax Liabilities | | 19890 | 19890 |
| | | 22340360 | 22340360 |
| SCHEDULE 3 | | | |
| UNSECURED LOANS | | | |
| From Directors | | 0 | 0 |
| | | 0 | 0 |
| SCHEDULE -5 | | | |
| INVESTMENT | | | |
| UNQUOTED | | 54460000 | 37632500 |
| QUOTED | | 1194000 | 653000 |
| TOTAL INVESTMENT | | 55654000 | 38285500 |
| SCHEDULE 6 | | | |
| INVENTORIES | | | |
| Shares & Other Securities | | 0 | 0 |
| | | 0 | 0 |
| SCHEDULE 7 | | | |
| SUNDRY DEBTORS | | | |
| Sundry Hirer / Leasee / Trade debtors (Unsecured considered Goods) | | | |
| (a) Outstanding over six months | | 0 | 0 |
| (b) Others | | 0 | 4004063 |
| | | 0 | 4004063 |

SCHEDULE FORMING PART OF BALANCE SHEET

| PARTICULARS | AS AT 31-03-2011 | AS AT 31-03-2010 |
|---|-----------------------------|-----------------------------|
| SCHEDULE 8 | | |
| CASH AND BANK BALANCE | | |
| Bank Balance | 1474448 | 1104596 |
| Cash Balance | 297316 | 1544249 |
| | 1771764 | 2648845 |
| SCHEDULE 9 | | |
| LOANS & ADVANCES | | |
| (Unsecured Considered Goods) | | |
| Advances revocable in Cash or Kind or for Value to be received | 3223702 | 1189662 |
| Tax deducted as Sources | 2854059 | 1446089 |
| Deposits | 0 | 0 |
| | 6077761 | 2635751 |
| SCHEDULE 10 | | |
| OTHER LIABILITIES & PROVISIONS | | |
| CURRENT LIABILITIES | | |
| Liabilities to other | 16835301 | 1631112 |
| Service tax | 510988 | 0 |
| PROVISION | | |
| Provision for Expenses | 15000 | 0 |
| Provision for Taxation | 0 | 787311 |
| | 17361288 | 2418423 |
| SCHEDULE 11 | | |
| MISCELLANEOUS EXPENDITURE | | |
| (To the extent not written off or adjusted) | | |
| Profit & Loss Account | 28624755 | 29586679 |
| | 28624755 | 29586679 |
| SCHEDULE 13 | | |
| TURNOVER | | |
| Share Trading & F&O segment (Net) | -10122652 | 3857727 |
| | -10122652 | 3857727 |
| SCHEDULE 14 | | |
| OTHER INCOME | | |
| Interest & Brokerage Income | 13456080 | 770441 |
| Professional & Technical Fees (Net) | 0 | 2607432 |
| | 13456080 | 3377873 |
| | | |

| SCHEDULE FORMING PART OF BALANCE SHEET | | | |
|---|--|---------------------------|---------------------------|
| PARTICULARS | | AS AT 31-03-11 | AS AT 31-03-11 |
| SCHEDULE 15 | | | |
| ADMINISTRATION & OTHER EXPENSES | | | |
| Advertisement Expenses | | 26735 | 12366 |
| Audit Fees | | 15000 | 15000 |
| Bank Charges | | 13875 | 27138 |
| Brokerage & commission | | 473781 | 0 |
| Computer maintenance Exp. & Software Exp. | | 67193 | 30200 |
| Demat Charges | | 33090 | 33090 |
| Director Traveling | | 0 | 9250 |
| Electricity Expenses | | 25182.02 | 31828 |
| Insurance | | 17500 | 19000 |
| Legal and Professional Fees | | 23788 | 45500 |
| Listing fees and Expenses | | 16545 | 39890 |
| Office Expenses | | 54041 | 30050 |
| Postage Telegram and Courier | | 30469 | 34103 |
| Printing & Stationery | | 39353 | 43779 |
| Professional Tax | | 0 | 2500 |
| Rent | | 72000 | 78000 |
| Security Guard Expenses | | 42000 | 38000 |
| Security Transaction Tax | | 328632 | 571931 |
| Service Tax | | 0 | 92604 |
| Share registration | | 7996 | 0 |
| Stamp Charges | | 79823 | 106802 |
| Telephone Exp | | 12799 | 29041 |
| Travelling & Conveyance | | 53503 | 44133 |
| Turnover Charges | | 155622 | 146518 |
| Vehicle Running Expenses | | 0 | 7980 |
| | | 1588927 | 1488703 |
| SCHEDULE 16 | | | |
| PAYMENT FOR HUMAN RESOURCES | | | |
| Salaries | | 758000 | 613615 |
| Wages | | 0 | 0 |
| Welfare Expenses | | 0 | 7167 |
| | | 758000 | 620782 |

SCHEDULE "4"
FIXED ASSETS

| DESCRIPTION OF ASSETS | GROSS BLOCK | | | DEPRICIATION | | | NET BLOCK | |
|-----------------------|---------------|----------|---------------|---------------|--------------|---------------|---------------|---------------|
| | AS AT | ADDN / | AS AT | AS ON | FOR THE | AS ON | AS AT | AS ON |
| | 1/4/2010 | DEDU. | 31/03/11 | 4/1/2010 | YEAR | 3/31/2011 | 31/03/11 | 31/03/10 |
| Office Building | 560400 | 0 | 560400 | 45675 | 9135 | 54810 | 505590 | 514725 |
| Furniture & Fixtures | 102500 | 0 | 102500 | 29750 | 6488 | 36238 | 66262 | 72750 |
| Computers | 55240 | 0 | 55240 | 44770 | 8954 | 53724 | 1516 | 10470 |
| Total | 718140 | 0 | 718140 | 120195 | 24577 | 144772 | 573368 | 597945 |
| Previous year | 718140 | 0 | 718140 | 95618 | 24577 | 120195 | 597945 | 622522 |

SCHEDULE-17 : Accounting Policies**(i) Revenue Recognition**

- (a) Revenue from issue management services, loan syndication, financial advisory services etc., is recognized based on the stage of completion of assignments and terms of agreement with the client.
- (b) Gains and losses on dealing with securities & derivatives are recognized on trade date.

(ii) Stock-in-trade (i.e. Inventories)

- (a) The securities acquired with the intention of holding for short-term are classified as investment and securities acquired for trading are classified as stock-in-trade.
- (b) The securities held as stock-in-trade are valued at lower of cost arrived at on weighted average basis or market/ fair value, computed category-wise. In case of investments transferred to stock-in-trade, carrying amount on the date of transfer is considered as cost. Commission earned in respect of securities acquired upon devolvement is reduced from the cost of acquisition. Fair value of unquoted shares is taken at break-up value of shares as per the latest audited Balance Sheet of the concerned company. In case of debt instruments, fair value is worked out on the basis of yield to maturity rate selected considering quotes where available and credit profile of the issuer and market related spreads over the government securities
- (c) Discounted instruments like Commercial paper/treasury bills/zero coupon instruments are valued at carrying cost. The difference between the acquisition cost and the redemption value of discounted instruments is apportioned on a straight line basis for the period of holding and recognized as Interest income.
- (d) Units of mutual fund are valued at lower of cost and net asset value.

(iii) Investments

The securities acquired with the intention of holding till maturity or for a longer period are classified as investments. (b) Investments are carried at cost arrived at on weighted average basis. Commissions earned in respect of securities acquired upon devolvement are reduced from the cost of acquisition. Appropriate provision is made for other than temporary diminution in the value of investments.

(iv) Fixed Assets and Depreciation

- (a) Fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for intended use.
- (b) Depreciation on fixed assets is provided on Straight Line Method at the rate and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

(v) Deferred Tax

Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based

on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

(vi) Derivatives Transactions

- (a) All open positions are marked to market.
- (b) Gains are recognized only on settlement/expiry of the derivative instruments except for Interest Rate derivatives where even mark to-market gains are recognized.
- (c) Receivables/payables on open position are disclosed as current assets/current liabilities, as the case may be.

(vii) Earning Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

(viii) Compliance with Reserve Bank of India Prudential Norms

Income recognition, provisioning and assets classification are in accordance with norms prescribed by Reserve Bank of India from time to time.

(ix) Schedule to the Balance Sheet of a Non-deposit taking Non-Banking Financial Company as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies. Prudential Norms (Reserve Bank) Directions 2007 :

a) Disclosure in respect of related party transaction :

- (i) Borrower wise : Nil
- (ii) Investor wise : Nil

b) Position of non-performing assets and business levels is lease and hire purchase and other activities:

- (i) Equipment leasing : Nil
- (ii) Hire Purchase Finance, Loan, Investment : Nil

(ii) Disclosure in respect of related parties pursuant to Accounting Standard 18:

- a) List of related parties : NIL
- b) List of Associates : NIL
- c) During the year, no transaction was carried out with the related parties in the ordinary course of the business.

xi) Other information :

- a) Gross Non-performing assets with related parties : NIL
- b) Gross Non-performing assets with other than related parties : NIL
- c) Net Non-performing assets with related parties : NIL
- d) Net Non-performing assets with other than related parties : NIL
- e) Assets acquired in satisfaction of debt : NIL

(xii) Special Reserve

Consequent to the Reserve Bank of India (Amendment) Act, 1997 coming into force effective January 9, 1997 where in all Non-banking Companies are required to transfer a sum not less than 20 % of its net profit after Tax to a special reserve wherever the net profit is adequately available, the company has duly complied with the RBI norms in this regards.

Notes on Accounts**NOTES FORMING PART OF ACCOUNTS.**

- 1) There are no contingent liabilities nor provided for.
- 2) Depreciation has been provided on assets as per SLM method by the company.
- 3) The value of realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the value at which they are started in the balance sheet.
- 4) Auditors remuneration is as under :
 - a) Audit fees Rs. 10,000/-
 - b) Tax audit fees Rs. 5,000/-
 - c) Other matter Rs. NIL
- 5) The additional Information pursuant to the provision of the paragraph 3, 4C, and 4D of Part-II of schedule Vi to the companies Act, 1956 has been furnished to the extend possible and applicable because of the nature of the business of the company.
- 6) The previous year figure has been regrouped and/or rearranged wherever necessary.

Bhadresh B. Sanghavi & Associates.
Chartered Accountants

Sd/
(Bhadresh B. Sanghavi)
Proprietor
M.No.111652
Date : 29-8-2011
Place :MUMBAI

For & on Behalf of Board
KAILASH FICOM LIMIED

| | |
|-------------------------|-----------------|
| Sd/- | Sd/- |
| Prahalad Panchal | M. Vashi |
| (M.D) | Director |

| Cash Flow Statement for the Year ended on 31st March 2011 | | | |
|--|------------|---------------------------------|---------------------------------|
| PARTICULARS | | 2010-11 Amount (Rs.) | 2009-10 Amount (Rs.) |
| CASH FLOW FROM OPERATING ACTIVITIES : | | | |
| Net Profit / (loss) before tax and extraordinary items | | 961924 | 5101538 |
| Adjustment for : | | | |
| Depreciation | | 24577 | 24577 |
| Sub-Total | | 986500.6 | 5126115 |
| Total Inflow from Operation | | 986500.6 | 5126115 |
| Non Operating Income | | 0 | 0 |
| Operating Profit / Loss before Working Capital Changes | | 986500.6 | 5126115 |
| Adjustment For: | | | |
| Trade and other receivables | | 4004063 | -403940 |
| Inventories | | 0 | -12915 |
| Loans & Advances | | -3442010 | 8939485 |
| Current Liabilities | | 14942865.4 | 343320 |
| Sub -Total | | 15504918.4 | 8865950 |
| CASH GENERATION FROM OPERATION | | 16491419 | 13992065 |
| Direct Taxes Paid or Tax Provision | | 0 | -800226 |
| Sub - Total | | 0 | -800226 |
| CASH FLOW BEFORE EXTRAORDINARY ITEMS | | 16491419 | 13191839 |
| Dividend & Dividend Tax Payable | | 0 | 0 |
| BALANCE CARRIED FORWARD | (A) | 16491419 | 13191839 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of Fixed Assets | | 0 | 0 |
| Purchase of Investment | | -17368500 | -10820000 |
| Int. Recd. + Brokerage Income | | 0 | 0 |
| Sub - Total | | -17368500 | -10820000 |
| BALANCE CARRIED FORWARD | (B) | -877081 | 2371839 |

| CASH FLOW FROM FINANCIAL ACTIVITIES | | | |
|---|-------------|----------------------------------|-----------------|
| Proceeds from Unsecured Loans | | 0 | 0 |
| | Sub - Total | 0 | 0 |
| Net Increase (Decrease) in cash & cash equivalent | (C) | -877081 | 2371839 |
| Opening Cash & Cash equivalents | | 2648845 | 277006 |
| Closing Cash & Cash equivalents | | 1771764 | 2648845 |
| For Bhadresh Sanghavi & Associates | | On or behalf of Board | |
| CHARTERED ACCOUNTANTS | | For Kailash Ficom Limited | |
| Sd/- | | Sd/- | Sd/- |
| (Bhadresh B. Sanghavi) | | Prahalad Panchal | M. Vashi |
| Proprietor | | (M.D.) | (DIRECTOR) |
| M.ship No. 111652 | | | |
| PLACE : MUMBAI | | | |
| DATE : 29-08-2011 | | | |

CERTIFICATE

We have examined the attached Cash Flow Statement of **KAILASH FICOM LIMITED** for the year ended on 31-03-2011. The Statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with Vadodara Stock Exchange and is based on in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company covered by the Report of 29.08.2011 to the members of the Company.

Place : Bombay
Date : 29-08-2011

For Bhadresh B. Sanghavi & Associates
Chartered Accountants

Sd/-
Bhadresh B. Sanghavi
PROPRIETOR
M.No.111652

ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

| | | | |
|----|--|---|-----------------------------|
| 1. | Registration Details | | |
| | Registration No. | : | 4706 |
| | State Code | : | 04 |
| | Balance Sheet Date | : | 31 ST MARCH 2011 |
| 2. | Capital Raised During the Year (Amount in Rs. Lacs.) | | |
| | Public Issue | : | - |
| | Right Issue | : | - |
| | Bonus Issue | : | - |
| | Private Placement | : | - |
| 3. | Position of Mobilization of Deployment of Funds (Amount in Rs. Lacs.) | | |
| | Total Liabilities | : | 753.40 |
| | Total Assets | : | 753.40 |
| | Sources of Funds | | |
| | Paid up Capital | : | 530.00 |
| | Share Application Money | : | - |
| | Reserve & Surplus | : | 223.40 |
| | Secured Loan | : | - |
| | Unsecured Loan | : | - |
| | Application of Funds | | |
| | Net Fixed Assets | : | 5.73 |
| | Investment | : | 556.54 |
| | Net Current Assets | : | -95.11 |
| | Miscellaneous Expense | : | - |
| 4. | Performance of Company (Amount in Rs. Lacs) | | |
| | Turnover | : | 33.33 |
| | Total Expenditure | : | 23.71 |
| | Profit / (Loss) before Tax | : | 9.61 |
| | Profit / (Loss) after Tax | : | 9.61 |
| | Earning Per Share | : | - |
| | Dividend Rate | : | - |
| 5. | Generic Names of Principal Product / Services of Company | | |
| | Item Code No. | : | N.A |
| | Product Description | : | SHARE TRADING & FINANCE |

Kailash Ficom Limited
206 Helix Complex, Opp. Hotel Surya, Sayajigunj, Baroda – 390 005

PROXY FORM

I/We _____ Of _____
Being a member/members of above named Company hereby appoint of _____ or failing him / her _____ of _____
as may / our proxy to attend and vote on my / our behalf at the Annual General Meeting of the Company to be held on 30-09-2011 or at any adjournment thereof.

Signed this _____ day of _____ 2011.

Affix Rupee
One Revenue
Stamp Here

Note : This instrument of proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting

Kailash Ficom Limited
206 Helix Complex, Opp. Hotel Surya, Sayajigunj, Baroda – 390 005

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

1. Name of the attending Member _____
 2. Member's Folio Number _____
 3. Name of the Proxy (In Block Letters) _____
(To be filled in if the Proxy attends instead of the Member)
- (No. of Shares held: -----)

I hereby record my presence at the Annual General Meeting at the registered Office 206, Helix Complex, Opp. Hotel Surya, Sayaji Gunj, Baroda-390 005 or at any adjournment thereof.

Member's / Proxy Signature