



K.B. Exports Pvt. Ltd.

Company Information

Directors	:	Anil Kumar Mittal Arun Kumar Gupta Anoop Kumar Gupta
Address	:	5190 Lahori Gate, Delhi-110006, India
Auditors	:	SPMR & Associates Chartered Accountants A-121, 1st Floor, Vikas Marg Shakarpur, Delhi-110092

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DIRECTORS' REPORT

To
The Members
K. B. Exports Private Limited
Delhi-110006

The Directors of your Company presents you the Annual Accounts of the Company for the year ended 31st March, 2011.

1. FINANCIAL RESULTS

The Financial Results for the year under review are summarized as under:

	Current Year	Previous Year
Pre-operative Expenses	(89,918)	(4,320)
Balance Brought forward	(98,425)	(94,105)
TOTAL	(188,343)	(98,425)

2. ISSUE OF SHARE CAPITAL

During the year under review company has issued 2989300 equity shares of ₹10/- each. Keeping in view of the capital requirement of the company the Board of Directors in their meeting held on 2nd June, 2010 recommend to issue share capital according on private placement basis and same was allotted. The paid up capital of the company was increased from ₹ 1,07,000 to ₹ 3,00,00,000.

3. OPERATIONS & ACTIVITIES

During the year under review, the Company could not commence any business activities due to non-availability of orders. The directors are trying their best to get business in the near future.

4. DIVIDEND

Due to inadequacy of profit, the directors do not propose any dividend.

5. PUBLIC DEPOSITS

The Company has not accepted any deposits from public within the meaning of Section 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposit) Rules, 1975, during the year under review.

6. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

- | | |
|-------------------------------------|--------|
| a) Energy Conservation | : N.A. |
| b) Technology Absorption | : N.A. |
| c) Foreign Exchange Earning & outgo | : Nil |

7. PARTICULARS OF EMPLOYEES

During the year under review, no employee, whether employed for the whole or part of the year, was drawing remuneration exceeding the limits as laid down u/s 217 (2A) of the Companies

Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended. Hence the details required under Section 217 (2A) are not given.

8. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Provisions of Section 217 (2AA) of the Companies Act, 1956, your directors confirm as under:

- i) That in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year;
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the directors had prepared the annual accounts on a going concern basis.

9. AUDITORS

SPMR & Associates, chartered accountants, statutory auditor of the Company are the retiring auditor and being eligible, offer themselves for re-appointment. You are requested to consider their re-appointment.

10. COMPLIANCE CERTIFICATE

M/S DMK Associates, company secretaries, New Delhi have been appointed by the Board of directors to give a compliance certificate pursuant to Section 383A of the Companies Act, 1956. Certificate of compliance has been obtained from M/S DMK Associates.

11. ACKNOWLEDGEMENT

The Board of Directors take this opportunity to thank the Bankers, Government authorities, Regulatory authorities, Stakeholders for the assistance and co-operation received and all other persons assisting the Company.

By Order of the Board

Sd/-

(Anil Kumar Mittal)

Director

Sd/-

(Anoop Kumar Gupta)

Director

Place: New Delhi

Dated: 25th May, 2011

AUDITORS' REPORT

To
The Shareholders
K. B. Exports Private Limited
Delhi

1. We have audited the attached Balance sheet of K. B. Exports Pvt. Ltd., as at 31st March, 2011 annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally adopted 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(s). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books & records of the Company, as we considered appropriate and according to the information and explanations given to us during the course of audit, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. We report that:-
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit;

- (b) In our opinion, proper books of account as required by Law have been kept by the Company so far as appears from our examination of such books;
- (c) The Balance Sheet referred to in this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet comply with the mandatory accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (e) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, 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 the 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 give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of Balance Sheet of the state of affairs of the company as at 31st March, 2011.

For SPMR & Associates
Chartered Accountants
(Firm No. 007578N)

Dated : 25th May, 2011
Place : New Delhi

Sd/-
(Ajay Kumar Mittal)
Partner
Membership No. 95273

ANNEXURE TO THE AUDITORS' REPORT
(REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE)

- | | |
|--|--|
| <p>1. In respect of fixed assets:</p> <p>a. On the basis of available information, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such physical verification.</p> <p>c. In our opinion & according to the information and explanations given to us, the Company has not disposed of any fixed assets during the year and the going concern status of the Company is not affected.</p> <p>2. On the basis of information available and on verification of financial statements verified by us, the company has no inventory, hence clause (ii) of the said order is not applicable to the company.</p> <p>3. In our opinion and according to the information available, the clause (iii) of the said order is not applicable to the company.</p> <p>4. In our opinion and according to the 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 the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal controls.</p> <p>5. In our opinion and according to the information and explanations given to us, the clause (v) of the said order is not applicable to the company.</p> <p>6. According to information and explanations given to us, the company has not accepted any deposits from the public. Therefore the provisions of Clause (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.</p> <p>7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.</p> <p>8. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 for any product of the Company.</p> | <p>9. In respect of statutory dues:</p> <p>a. According to the records of the Company examined by us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues have generally been deposited regularly with the appropriate Authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable.</p> <p>b. To the best of our knowledge and according to the information and explanations given to us, there are no statutory dues that have not been deposited on account of any dispute.</p> <p>10. The Company has no accumulated losses and has not incurred cash loss during the financial year covered by our audit.</p> <p>11. As per the records of the company produced before us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders as at the Balance Sheet date.</p> <p>12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.</p> <p>13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.</p> <p>14. The Company is not dealing in shares, securities, debentures and other investments. Accordingly, the clause 4 (xiv) of the Companies (Auditor's Report) order 2003 is not applicable to the company.</p> <p>15. The Company has not given guarantees for the loans taken by others from banks or financial institutions.</p> <p>16. To the best of our knowledge and according to the information and explanations given to us, clause no. (xvi) of the said order is not applicable to the company.</p> <p>17. According to the information and explanations given to us and</p> |
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on an overall examination of the Balance Sheet, the Company has not utilized short term sources towards repayment of long-term borrowings.

18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures and hence no securities have been created in this respect.
20. The Company has not raised any money by way of public issue during the year.

21. During the course of our examination of the books and records of the company and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Dated : 25th May, 2011

Place : New Delhi

For SPMR & Associates
Chartered Accountants
(Firm No. 007578N)

Sd/-

(Ajay Kumar Mittal)

Partner

Membership No. 95273

K.B. EXPORTS - BALANCE SHEET as at 31st March, 2011

Particulars	Schedules	(Amount in ₹)	
		As at 31/03/2011	As at 31/03/2010
SOURCES OF FUNDS			
Share Capital	'A'	3,00,00,000	1,07,000
TOTAL		3,00,00,000	1,07,000
APPLICATION OF FUNDS			
Fixed Assets	'B'		
Gross Block		2,84,58,150	-
Less: Depreciation		-	-
Net Block		2,84,58,150	-
Current Assets, Loans & Advances			
Cash & Bank Balance	'C'	39,453	14,781
Loans & Advances	'D'	10,15,124	17,664
Less: Current Liabilities & Provisions	'E'	23,870	23,870
Net Current Assets		10,30,707	8,575
Miscellaneous Expenses to the extent note written off	'F'	5,11,143	98,425
TOTAL		3,00,00,000	1,07,000
Significant Accounting Policies & Notes to the Accounts as per Schedule	"G"		

Auditors' Report

As per our separate report of even date attached

For and on behalf of the Board

For SPMR & Associates
Chartered Accountants
(Firm No. 007578N)

Sd/-
Anil Kumar Mittal
Director

Sd/-
Anoop Kumar Gupta
Director

Sd/-
Ajay Kumar Mittal
Partner
Membership No. 95273

New Delhi
25th May, 2011

K.B. EXPORTS - STATEMENT OF PRE-OPERATIVE EXPENSES
for the year ended 31st March, 2011

(Amount in ₹)

Particulars	Schedules	Current Year 31/03/2011	Previous Year 31/03/2010
PRE-OPERATIVE EXPENSES			
Filing Fees		2,540	900
Bank Charges		2,708	-
Preliminary Expenses W/o		80,700	-
Audit Fee		3,420	3,420
Legal Expenses		550	-
TOTAL		89,918	4,320
Add: Balance brought forward		98,425	94,105
Balance C/f to Balance Sheet		1,88,343	98,425
Significant Accounting Policies & Notes to the Accounts as per Schedule	"G"		

Auditors' Report

As per our separate report of even date attached

For SPMR & Associates
Chartered Accountants
(Firm No. 007578N)

Sd/-
Ajay Kumar Mittal
Partner
Membership No. 95273

New Delhi
25th May, 2011

For and on behalf of the Board

Sd/-
Anil Kumar Mittal
Director

Sd/-
Anoop Kumar Gupta
Director

K. B. EXPORTS - SCHEDULES attached to and forming part of the Balance Sheet
as at 31st March, 2011

(Amount in ₹)

Particulars	As at 31/03/2011	As at 31/03/2010
SCHEDULE - 'A' : SHARE CAPITAL		
Authorised		
50,00,000 Equity Shares (P.Y. 100,000) of ₹10 each	5,00,00,000	10,00,000
Issued & Subscribed		
30,00,000 Equity Shares (P.Y. 10,700) of ₹10 each	3,00,00,000	1,07,000
Paid-Up		
30,00,000 Equity Shares (P.Y. 10,700) of ₹10 each	3,00,00,000	1,07,000
	3,00,00,000	1,07,000

(Amount in ₹)

Particulars	As at 31/03/2011	As at 31/03/2010
SCHEDULE - 'B' : FIXED ASSETS		
Lands	2,84,58,150	-
TOTAL	2,84,58,150	-

(Amount in ₹)

Particulars	As at 31/03/2011	As at 31/03/2010
SCHEDULE - 'C' : CURRENT ASSETS		
Cash at Bank	39,253	12,781
Cash in Hand	200	2,000
TOTAL	39,453	14,781

(Amount in ₹)

Particulars	As at 31/03/2011	As at 31/03/2010
SCHEDULE - 'D' : LOANS & ADVANCES		
Amount Receivable in cash or kind or for value to be received	1,015,124	17,664
TOTAL	1,015,124	17,664

(Amount in ₹)

Particulars	As at 31/03/2011	As at 31/03/2010
SCHEDULE - 'E' : CUREENT LIABILITIES & PROVISIONS		
Cureent Liabilities		
Audit Fee Payable	23,870	23,870
TOTAL	23,870	23,870

(Amount in ₹)

Particulars	As at 31/03/2011	As at 31/03/2010
SCHEDULE - 'F' : MISCELLANEOUS EXPENDITURE		
Pre-operative Expenses	188,343	98,425
Preliminary Expenses	322,800	-
TOTAL	511,143	98,425

K.B. EXPORTS - Significant Accounting Policies & notes to accounts attached to and forming part of the Balance Sheet as on 31st March, 2011

SCHEDULE 'G'

1. SIGNIFICANT ACCOUNTING POLICIES ADOPTED IN PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS.

A. GENERAL:

- a) The accounts are prepared on the historical cost basis and on the accounting principles of a going concern.
- b) The Company generally follows mercantile system of accounting and recognizes significant items of income & expenditure on accrual basis.

B. FIXED ASSETS:

a) Methods of depreciation and amortization

Depreciation is provided in the accounts for the year at the rates provided in the Schedule XIV to the Companies Act, 1956 on written down value method in respect of assets which were used for full period, and on pro-rata basis for assets acquired during the year; no depreciation is provided on the assets sold during the year.

b) Valuation of Fixed Assets

Fixed Assets are valued at historical cost.

C. VALUATION OF INVENTORIES

Inventories are valued at lower of cost or market value.

D. TREATMENT OF CONTINGENT LIABILITIES

Contingent Liabilities are disclosed by way of note on the Balance Sheet. Provision is made in accounts for those liabilities, which are likely to materialize after the year-end and having effect on the position stated in the Balance Sheet as at the year-end. At present there are no contingent liabilities.

E. PRIOR PERIOD & EXTRA ORDINARY ITEMS

Since no commercial activity was undertaken by the

company, no Profit & Loss Account has been prepared. Therefore, there are no prior period items.

2. NOTES TO ACCOUNTS :-

- A. In line with the method recommended by the accounting standard, there is no cumulative deferred tax asset or liability as on 01st April, 2010 of the Company. Moreover, as the Company has not undertaken any business activity during the year, no deferred tax asset or liability has arisen for the year and the balance of deferred tax asset / liability remains Nil as at the year ended on 31st March, 2011.
- B. Managerial Remuneration to Directors Nil.
- C. Particulars regarding quantitative details are not applicable, as the Company did not undertake any business during the year ended on 31st March, 2011.
- D. Claims against the Company not acknowledged as debts Nil.
- E. Previous year figures have been regroup/recast wherever found necessary.
- F. Amount of ₹10,15,124 (previous year ₹17,664) was due from partnership firm, in which directors are interested. Maximum balance outstanding at any time during the year ₹10,15,124 (previous year ₹17,664).

Sd/-

For SPMR & Associates
Chartered Accountants
(Firm No. 007578N)

(Anil Kumar Mittal)
Director

Sd/-

(Ajay Kumar Mittal)
Proprietor
M. No. 95273

Sd/-

(Anoop Kumar Gupta)
Director

Dated: 25th May, 2011

Place: New Delhi

ADDITIONAL INFORMATION
PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS ON 31ST MARCH, 2011

I. REGISTRATION DETAIL

Registration No.	96113
State Code	55
Balance Sheet	31/03/2011

II. CAPITAL RAISED DURING THE YEAR

(Amount in ₹ Thousand)

Public Issue	Nil
Right Issue	Nil
Bonus Issue	Nil
Private Placement	29893

III. POSITION MOBILISATION AND DEPLOYMENT OF FUNDS

(Amount in ₹ Thousand)

Total Liabilities	30000
Total Assets	30000

SOURCES OF FUNDS

Paid-up Capital	30000
Reserves & Surplus	Nil
Secured Loans	Nil
Unsecured Loans	Nil

APPLICATION OF FUNDS

Net Fixed Assets	28458
Investments	Nil
Net Current Assets	1031
Misc. Expenditure	511
Accumulated Losses	Nil

IV. PERFORMANCE OF COMPANY

(Amount in ₹ Thousand)

Turnover	Nil
Total Expenditure	90
Loss before tax	Nil
Loss after tax	Nil
Earning per Share (in ₹)	Nil
Dividend Rate %	Nil

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

(AS PER MONETARY TERMS)

Product Description	-	No activity during the year
ITC Code	-	N.A.

Auditors' Report

As per our separate report of even date attached

For and on behalf of the Board

For SPMR & Associates
Chartered Accountants
(Firm No. 007578N)

Sd/-
Anil Kumar Mittal
Director

Sd/-
Anoop Kumar Gupta
Director

Sd/-
Ajay Kumar Mittal
Partner
Membership No. 95273

New Delhi
25th May, 2011