



K.B. Exports Pvt. Ltd.

Company Information

Directors	:	Anil Kumar Mittal Arun Kumar Gupta Anoop Kumar Gupta
Address	:	5190 Lahori Gate, Delhi-110006, India

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DIRECTORS' REPORT

To The Members of K. B. Exports Private Limited
Delhi

The Directors of your Company presents you the Annual Accounts of the Company for the year ended 31st March, 2012.

1. FINANCIAL RESULTS

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

	(Amount In ₹)	
	Current Year	Previous Year
Pre-operative Expenses	(93,484)	(89,918)
Balance Brought forward	(1,88,343)	(98,425)
Total	(2,81,827)	(1,88,343)

2. ISSUE OF SHARE CAPITAL

During the year under review, the Company haven't issued any share Capital.

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 profits, 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 EARNINGS & OUTGO

a) Energy Conservation	:	N.A.
b) Technology Absorption	:	N.A.
c) Foreign Exchange Earnings & 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 limit 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 have been followed along with proper explanation relating to material departures;
- ii) That the directors have 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 have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the directors have prepared the annual accounts on a going concern basis.

9. AUDITORS

M/s 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 had 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, Customers, Stakeholders for the assistance and co-operation received and all other persons assisting the Company.

For K.B. Exports Private Limited

by order of the board

New Delhi
22nd May, 2012

(Anil Kumar Mittal) (Anoop Kumar Gupta)

Director

Director



AUDITORS' REPORT

To The Members of K. B. Exports Private Limited

- 1 We have audited the attached Balance Sheet of K. B. Exports Private Limited, as at 31st March 2012, 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 the auditing standards generally adopted in India. These 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 Section 211(3C) 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, 2012 for 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, 2012.

For SPMR & Associates
Chartered Accountants

(Ajay Kumar Mittal)
Partner

Dated: 22nd May, 2012
Place : New Delhi

Firm Reg. No- 007578N
Membership No. 95273

Annexure to the Auditors' Report

- 1 **In respect of fixed assets**
 - (a) On the basis of available information, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (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.
 - (c) In our opinion & according to the information and explanation 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.
- 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.
- 3 In our opinion and according to the information available, the clause (iii) of the said order is not applicable to the company.
- 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.



- 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.
- 6 According to information and explanations give 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.
- 7 In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
- 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.
- 9 In respect of statutory dues:
- (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, 2012 for a period of more than six months from the date of becoming payable.
- (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.
- 10 The Company has no accumulated losses and has not incurred cash loss during the financial year covered by our audit.
- 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.
- 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.
- 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.
- 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.
- 15 The Company has not given guarantees for the loans taken by others from banks or financial institutions.
- 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.
- 17 According to the information and explanations given to us and 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.

For SPMR & Associates
Chartered Accountants

(Ajay Kumar Mittal)
Partner

Dated: 22nd May, 2012
Place : New Delhi

Firm Reg. No- 007578N
Membership No. 95273



BALANCE SHEET as at 31st March, 2012

(Amount in ₹)

Particulars	Note no	As at 31/03/2012	As at 31/03/2011
I. EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	3	3,00,00,000	3,00,00,000
Total Shareholders' Funds (A)		3,00,00,000	3,00,00,000
Current Liabilities			
Other Current Liabilities	4	24,383	23,870
Total Current Liabilities (B)		24,383	23,870
Total (A+B)		3,00,24,383	3,00,23,870
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	5	2,84,58,150	2,84,58,150
Total Non-Current Assets (A)		2,84,58,150	2,84,58,150
Current Assets			
Short - Term Loans and Advances	6	-	10,15,124
Cash & Bank Balances	7	10,42,306	39,453
Miscellaneous Expenses	8	5,23,927	5,11,143
Total Current Assets (B)		15,66,233	15,65,720
Total (A+B)		3,00,24,383	3,00,23,870
Significant Accounting Policies & Other notes forming part of the financial statements	1 & 2		

The accompanying notes form an integral part of the financial statements

for K.B. Exports Private Limited
On behalf of the Board,

Annexure to our Report of Date
for SPMR & Associates
Chartered Accountants

Anil Kumar Mittal
Director

Anoop Kumar Gupta
Director

Ajay Kumar Mittal
Partner

Place : New Delhi
Date : 22.05.2012

Firm No- 007578N
M No. 95273



STATEMENT OF PRE-OPERATIVE EXPENSES for the year ended March 31, 2012

(Amount in ₹)

Particulars	Year Ended 31/03/2012	Year Ended 31/03/2011
Pre-Operative Expenses		
Filing Fees	4,800	2,540
Bank Charges	110	2,708
Audit Fee	4,374	3,420
Legal Expenses	3,500	550
Preliminary Expenses W/o	80,700	80,700
TOTAL	93,484	89,918
Add: Balance Brought Forward	1,88,343	98,425
TOTAL	2,81,827	1,88,343
Significant Accounting Policies & Notes to the Accounts	1 & 2	

The accompanying notes form an integral part of the financial statements

for **K.B. Exports Private Limited**
On behalf of the Board,

Annexure to our Report of Date
for **SPMR & Associates**
Chartered Accountants

Anil Kumar Mittal
Director

Anoop Kumar Gupta
Director

Ajay Kumar Mittal
Partner
Firm No- 007578N
M No. 95273

Place : New Delhi
Date : 22.05.2012



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

1.1 Accounting Convention

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

1.2 Fixed Assets including intangible Assets

Fixed Assets are stated at cost of acquisition / installation inclusive of freight, duties, taxes and all incidental expenses and net of accumulated depreciation. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs. The original cost of imported Fixed Assets acquired through foreign currency loans has been adjusted at the end of each financial year by any change in liability arising out of expressing the outstanding foreign loan at the rate of exchange prevailing at the date of Balance Sheet. All up gradation / enhancements are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

Freehold Land is stated at original cost of acquisition.

1.3 Depreciation and Amortisation

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.

1.4 Investments

Investments are classified into current and non-current investments. Current investments are stated at lower of cost and fair value. Non-current investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of non-current investments.

1.5 Revenue Recognition and Accounting for Sales & Services

Export sales are accounted for on the basis of date of bill of lading and adjusted for exchange fluctuations on exports

realized during the year and the trade receivable in foreign exchange which are restated at the year end. Domestic sales are recognized on the dispatch of goods to the customers and are net of discounts, Sales Tax, Excise Duty, Returns.. Gross sales includes Excise Duty and then reduced thereafter to compute net sales in conformity with ASI-14 on disclosure of the revenue from sale transaction. Dividend income is recognised when the right to receive dividend is established. Revenue and Expenditure are accounted for on going concern basis. Interest Income / Expenditure is recognized using the time proportion method based on the rates implicit in the transaction.

Revenue in respect of Insurance / others claims, Interest, Commission, etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

1.6 Treatment of Contingent Liability

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.

1.7 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

2.1 In line with the method recommended by the accounting standard, there is no cumulative deferred tax asset or liability as on 01st April, 2011 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, 2012.

2.2 Managerial Remuneration to Directors :-NIL

2.3 Particulars regarding quantitative details are not applicable, as the Company did not undertake any business during the year ended on 31st March, 2012.

2.4 Claims against the Company not acknowledged as debts:-NIL.

2.5 Till the year ended 31st March, 2011, the company was using pre-revised Schedule VI of the Companies Act, 1956 for preparation and presentation of its financial statement.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

During the year ended 31st March, 2012, the revised Schedule VI notified under the Companies Act, 1956 is applicable to the company. The company has reclassified and regrouped previous year figure in conformity with revised Schedule-VI of the companies Acts, 1956.

2.6 Amount of NIL (previous year ₹ 10,15,124/-) was due to partnership firm, in which directors are interested. Maximum balance outstanding at any time during the year is NIL (previous year ₹ 10,15,124/-).



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3. SHARE CAPITAL

(Amount in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
SHARE CAPITAL		
Authorised Shares		
5000000 Equity Shares (P.Y. 5000000) of ₹10/- each	5,00,00,000	5,00,00,000
	5,00,00,000	5,00,00,000
Issued Shares		
3000000 Equity Shares (P.Y. 3000000) of ₹10/- each	3,00,00,000	3,00,00,000
Subscribed & paid up shares		
3000000 Equity Shares (P.Y. 3000000) of ₹10/- each	3,00,00,000	3,00,00,000
Total Subscribed & Paid up Share Capital	3,00,00,000	3,00,00,000

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31st March 2012		31st March 2011	
	No of Shares	(in ₹)	No of Shares	(in ₹)
Ordinary Equity Shares outstanding at the beginning of the year	3000000	3,00,00,000	3000000	3,00,00,000
Ordinary Equity Shares issued during the year	-	-	-	-
Ordinary Equity Shares bought back during the year	-	-	-	-
Ordinary Equity Shares outstanding at the end of the year	3000000	3,00,00,000	3000000	3,00,00,000

b) Terms/rights attached to ordinary shares

The Company has issued only one class of ordinary equity shares having a par value of ₹ 10/- per share. Each holder of ordinary share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2012, the amount of dividend per share recognised for distribution to ordinary shareholders is ₹ NIL (Previous year: ₹ NIL).

In event of liquidation of the company, the holders of ordinary equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of ordinary shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

Sl No	Name of the Shareholders	As at 31 March 2012		As at 31 March 2011	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	KRBL Limited	2100000	70.0%	2100000	70.0%
2	Anil Kumar Mittal	296500	9.9%	296500	9.9%
3	Arun Kumar Gupta	296500	9.9%	296500	9.9%
4	Anoop kumar Gupta	296500	9.9%	296500	9.9%

d) Aggregate number of bonus shares issued, Shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

4. Other Current Liabilities

(Amount ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
Audit Fees Payable	24,383	23,870
Total	24,383	23,870

5. Fixed Assets

Land at Ghaziabad	2,84,58,150	2,84,58,150
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6. Short Term Loans And Advances

Unsecured - Considered Good		
Advance	-	10,15,124
Total	-	10,15,124

7. Cash & Bank Balances

Cash & Cash Equivalents		
Balance with Banks:		
- In Current Accounts	10,42,106	39,453
Cash in Hand	200	-
Total	10,42,306	39,453

8. Miscellaneous Expenses

Pre-Operative Expenses	2,81,827	1,88,343
Preliminary Expenses	2,42,100	3,22,800
Total	5,23,927	5,11,143