

KAMINI FINANCE AND INVESTMENT COMPANY LIMITED

REPORT OF THE DIRECTORS TO THE MEMBERS,

Your Directors have pleasure in submitting their Twenty Fifth Annual Report together with the Audited Statements of Accounts of the Company for the year ended 31st March, 2012.

1. FINANCIAL RESULTS

	<u>AMOUNT</u> Rs.
Profit/(Loss) for the year	78,578
Provision for Taxation:	
Current Tax	-
Taxation for earlier years	4,455
Profit after Tax	74,124
Balance brought forward from earlier years	(65,635,797)
Balance (Debit) carried to Balance Sheet	(65,577,674)

2. DIVIDEND

Your Directors regret to recommend declaration of any dividend for the year in view of the losses in the current year and carried forward losses.

3. DIRECTORS

Mr. Nazir Ahmed, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

4. DIRECTOR'S RESPONSIBILITY STATEMENT.

The Directors confirm

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- b) That they 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 and of the losses of the Company for that period.

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KAMINI FINANCE & INVESTMENT CO. LTD.



Director

- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That they have prepared the annual accounts on a going concern basis.

5. CORPORATE GOVERNANCE:

The Company has put in place an adequate system of Corporate Governance. A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance Clause of the Listing Agreement is annexed to the report on Corporate Governance.

6. AUDITOR'S REPORT

The Auditors Report on the Accounts is self-explanatory and requires no comments.

7. PARTICULARS OF EMPLOYEES

There was no employee of the company who received remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Statement of Particulars of Employees) Rules, 1975.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Particulars required to be furnished by the Companies (Disclosures of particulars in the Report of the Board of Directors) Rules 1988, under the heads are not applicable to the company.

9. AUDITORS

The Auditors of your Company M/s S. Mandal & Co, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offers themselves for re- appointment.

10. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all officers and staff at all level.

For and on behalf of the Board



**CHAND RATAN MODI
MANAGING DIRECTOR**



**RAM RATAN MODI
DIRECTOR**

Place: Kolkata

Date: 29th May, 2012

KAMINI FINANCE & INVESTMENT CO. LTD.



Director

MANAGEMENT DISCUSSION & ANALYSIS

Industry Structure & Development

In the last 10-15 years, there have been many development in Non-Banking Financial Sector. Non- Banking Financial Companies (NBFC) have rapidly emerged as an important segment of the Indian financial system. With the increasing service sector activity in India, NBFC have been playing a critical role in providing credit. NBFC is a heterogeneous group of financial institutions, performing a wide range of activities like hire-purchase finance, vehicle financing, equipment lease finance, personal loans, working capital loans, consumer loans, housing loans, loans against shares and investments, etc. The role on NBFC as effective financial intermediaries have been well recognised as they have inherent ability to take quicker decisions, assume greater risks, and customize their services and charges more according to the needs of the clients.

The segment has witnessed considerable growth in the last few years and is now being recognised as complementary to the banking sector due to implementation of innovative marketing strategies, introduction of tailor-made products, customer-oriented services, attractive rates of return on deposits and simplified procedures, etc.

Opportunities, Threats, Risks and Concerns

Inspite of the strong competition faced by the NBFCs, the inner strength of NBFCs viz local knowledge, credit appraisal skill, well trained collection machinery, close monitoring of borrowers, and personalized attention to each client are catering to the needs of small and medium enterprises in the rural and semi-urban areas. NBFCs are playing significant role in financing the road transport and infrastructure and have reached the grass root level through micro finance.

As an NBFC, your company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risks associated with your company's business which includes deployment of funds in specific projects, diversifications into other business operations, retention of talented personnel, managing effective growth rate, volatility in interest rate, NPAs in portfolio, changes in compliance norms and regulations, contingent liabilities, and other legal proceedings. Your company recognizes the importance of risk management, and has invested in people, process and technologies to effectively mitigate the above risks.

Segment-Wise Performance - Finance & Investment

Your Company's operations continue to be mainly focused in the area of Financing & Investment.

Financial Performance

The performance of the Company is improving and has managed to make profit during the year.

Internal Control System

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The control systems set on place are checked and duties and responsibilities are explicitly allocated among the staff for ensuring that policies and procedures are managed effectively and that there is full commitment and compliance.

Human Resources

Employees are your Company's most valued resource. Operating in the service industry, your Company's performance is heavily dependent on the knowledge and expertise of its employees. It has always been the endeavour of your Company to continuously improve the skill sets of each employee. Employee relations continue to be cordial throughout the year.

**ANNEXURE TO DIRECTOR'S REPORT.
REPORT ON CORPORATE GOVERNANCE**

1. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and in all its interaction with its Shareholders, the government, and the society. The Company has implemented and is improving the Corporate Governance with the objective of fulfilling Shareholder's expectation in so far as it caters to all interests. As an integral part of business ethics your company continues to follow the practices in the line with the code of Corporate Governance enshrined in the listing agreement.

2. BOARD OF DIRECTORS.

a. Composition of Board of Directors and category of individual directors

Name of the Director	Category
Mr. Chand Ratan Modi	Promoter and Executive Director
Mr. Ram Ratan Modi	Promoter and Non-Executive Director
Mr. Champa Lal Pareek	Independent Director
Mr. Nazir Ahmed	Independent Director

b. Board Meetings:

During the financial year 2011-2012, the Board met 9 times on 14th April, 2011, 25th May, 2011, 19th July, 2011, 3rd August, 2011, 10th August, 2011, 8th October, 2011, 8th November, 2011, 23rd November, 2011 and 24th January, 2012.

No Extra Ordinary General Meeting of the Company was held during the year.

The attendance of each director at board meetings and last Annual General meeting is as follows:

Name of the Directors	No. of Board Meetings attended	Attendance at the last Annual General Meeting
Mr. Chand Ratan Modi	9	Present
Mr. Ram Ratan Modi	9	Present
Mr. Champa Lal Pareek	9	Present
Mr. Nazir Ahmed	9	Present

c. Membership/Chairmanship of other boards and committees thereof

Name of the Director	* Number of directorship held in other companies	Other committees	
		Member	Chairman
Mr. Chand Ratan Modi	11	4	NIL
Mr. Ram Ratan Modi	13	4	2
Mr. Champa Lal Pareek	13	2	3
Mr. Nazir Ahmed	5	5	NIL

* The above listing excludes private companies which are not subsidiaries of public company, foreign companies and companies under Section 25 of the Companies, Act, 1956.

d. Details of shareholding of non-executive directors in the Company

Name of the Director	No. of shares
Mr. Ram Ratan Modi	NIL
Mr. Champa Lal Pareek	NIL
Mr. Nazir Ahmed	NIL

e. Notes on Director seeking appointment/reappointment

I. Mr. Nazir Ahmed

Mr. Nazir Ahmed is a non-executive independent director of the Company.

Mr. Nazir Ahmed (B.Com, AICWAI), aged about 38 years, is a qualified professional having wide experience of over 18 years both as an accountant and as a practicing professional. The Board of Directors believes that the Company will immensely benefit from his vast professional knowledge and experience.

He is holding directorship in 5 other Public Limited Companies. The name of the Companies in which he is a director are as follows:

1. Hotahoti Wood Products Limited
2. Purbanchal Prestressed Limited
3. Sangrahalaya Timber & Crafts Limited
4. Visisth Chay Vyapar Limited
5. North Eastern Publishing & Advertising Company Limited

He is the member of the Audit Committee of the following companies

1. Hotahoti Wood Products Limited
2. Purbanchal Prestressed Limited
3. Sangrahalaya Timber & Crafts Limited
4. Visisth Chay Vyapar Limited
5. North Eastern Publishing & Advertising Company Limited

He is not related to any director of the Company.

3. AUDIT COMMITTEE

The Company complies with the requirements of listing agreement with Stock Exchange and the provision of Section 292A of the Companies Act, 1956 pertaining to the Audit Committee and its functioning.

The Audit committee comprises of 3 directors. The committee functions under the Chairmanship of Mr. Champa Lal Pareek, a non-executive independent Director. The other members of the Committee are Mr. Ram Ratan Modi, a non-executive Director and Mr. Nazir Ahmed, an independent Director.

The committee met 4 times during the year on 25th May, 2011, 3rd August, 2011, 8th November, 2011, 24th January, 2012.

The attendance of the members of the Committee is given below:

Name of the members	Status	No. of. Meetings attended
Mr.Champa Lal Pareek	Chairman	4
Mr. Ram Ratan Modi	Member	4
Mr. Nazir Ahmed	Member	4

4. REMUNERATION TO DIRECTORS

Details of the remuneration paid to the Directors during the year under review is as follows:

Name of the Director	Salary
Mr. Chand Ratan Modi	NIL
Mr. Ram Ratan Modi	NIL
Mr. Champa Lal Pareek	NIL
Mr. Nazir Ahmed	NIL

5. SHAREHOLDERS/INVESTORS GRIEVANCE REDRESSAL COMMITTEE

The Company has constituted a Shareholder / Investor Grievance Redressal Committee to look into the redressal of investors complaints on various issues. The Committee functions under the Chairmanship of Mr. Ram Ratan Modi, a non-executive director. The other members of the Committee are Mr. Chand Ratan Modi and Mr. Champa Lal Pareek. Though the powers to approve share transfers / share transmission are delegated to the Registrars and Share Transfer Agents of the Company, all the share transfer/ transmission cases approved by the Registrar are reported to the committee which also keeps a close watch on disposal status of all complaints / grievances of shareholders. During the year under review, no complains were received by the Company / Registrars and Share Transfer Agents.

b. Name and designation of the Compliance Officer

Mr. Chand Ratan Modi
Director

6. GENERAL BODY MEETING.

a. Details of last three Annual General Meetings are as follows:

Financial Year	Location	Date	Time	No. of Special resolutions passed
2010-2011	Room No, 5, 1st Floor, H. M. Market, T. R. Phookan Road, Guwahati - 781001	30 th September, 2011	1.00 P.M	NIL
2009-2010	Room No, 5, 1st Floor, H. M. Market, T. R. Phookan Road, Guwahati - 781001	28 th September, 2010	11.30 A.M.	NIL
2008-2009	Room No, 5, 1st Floor, H. M. Market, T. R. Phookan Road, Guwahati - 781001	17 th August, 2009	1.30 P.M.	NIL

b. There were no special resolutions required to be passed through postal ballot at any of the above AGMs. None of the resolutions proposed for the ensuing AGM need to be passed by postal ballot.

7. DISCLOSURES

- a. The Company has not entered into any transaction of material nature with any related party as described under the listing agreement entered into with the stock exchange, that may have potential conflict with the interests of the Company at large.
- b. There was no significant instance of non-compliance on any matter in respect of which penalties was imposed by the Stock Exchange or SEBI or any other statutory authority during the last three years.
- c. Non-mandatory requirements of corporate governance have not been adopted.

8. MEANS OF COMMUNICATION

The Company communicates with the shareholders at large through its Annual Reports and by filing of quarterly results with the Statutory Bodies.

9. GENERAL SHAREHOLDER INFORMATION.

a. Annual General Meeting

Date of AGM : 27th August, 2012

b. Financial Calendar (tentative)

Particulars	Date
Unaudited Financial results for the quarter ending June 30, 2012	On or before 15 th August, 2012
Unaudited Financial results for the quarter ending September 30, 2012	On or before 15 th November, 2012
Unaudited Financial results for the quarter ending December 31, 2012	On or before 15 th February, 2013
Audited Financial results for the year ending March 31, 2013	Last Week of May 2013

c. **Date of Book Closure:** 22nd August, 2012 to 27th August, 2012

d. **Dividend payment date:** Not applicable since no dividend proposed/declared.

e. **Name of the Stock Exchange where listed :** The Gauhati Stock Exchange Ltd.
2nd Floor, Shine Tower,
Sati Jaymati Road,
Arya Chowk, Rehabari,
Guwahati - 781008

f. Stock Market Data

In absence of regular trading, stock market data are not available on regular basis.

g. **Registrar & Share Transfer Agent :** M/s Niche Technologies Pvt. Ltd
D-511, Bagree Market,
71 B.R.B. Basu Road,
Kolkata -700 001

h. Share Transfer Systems

Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgment, if documents are complete in all respects. The Authorized Officers of the Registrar and Share Transfer Agent meet as often as required.

i. Distribution of shareholding as on March 31, 2012

Particulars	Shareholders		Equity shares	
	Number	% of total	Number	% of total
Upto 500	997	98.03	99,610	0.83
501 to 1,000	2	0.20	1,640	0.01
1,001 to 5,000	0	0.0	0	0.00
5,001 to 10,001	1	0.10	6,500	0.05
10,001 to 50,000	3	0.29	95,900	0.80
50,001 to 1,00,000	1	0.10	82,000	0.68
1,00,001 & above	13	1.28	1,17,16,000	97.63
Total	1017	100.00	1,20,01,650	100.00

j. Dematerialisation of shares and liquidity

As on March, 31, 2012, 1,06,85,400 shares of Rs.10/- each are held by the shareholders in dematerialized form with NSDL.

k. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

l. Plant Locations

The Company is a Non- Banking Financial Company and hence does not have any plant.

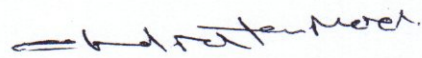
m. Address for Correspondance

The shareholders may address their correspondence to the secretarial department of the Company at its head office at 5, Gorky Terrace, 2nd Floor, Kolkata – 700017.

n. Code of Business Conduct and Ethics for Directors and Senior Management.

All the Board members and the senior management personnel of the Company have affirmed compliance with the code of conduct for the year ended 31st March, 2012.

For and on behalf of the Board of Directors



CHAND RATAN MODI
MANAGING DIRECTOR

Place: Kolkata
Date: 29th May, 2012

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KAMINI FINANCE & INVESTMENT CO. LTD.



Director

S.MANDAL & CO.
CHARTERED ACCOUNTANTS

29D, SEVEN TANKS LANE,
DUM DUM JN.
KOLKATA – 700 030
Phone : 2556-6768
2546 - 3269
Fax : (033) 2546 - 3269
E-Mail: s_mandal_co@yahoo.co.in


AUDITORS' REPORT

:2:

f) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss Account together with the Notes thereon and attached thereto, give a true and fair view in conformity with the accounting principles generally accepted in India.

- (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2012 and
- (ii) in the case of the Profit and Loss Account, of the Profit for the year ended on that date.

For S. MANDAL & CO.
(Chartered Accountants)


(H. C. DEY)
Partner.

M. No: 050190



Dated: May 29, 2012

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KAMINI FINANCE & INVESTMENT CO. LTD.



Director

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS REPORT TO THE MEMBERS OF KAMINI FINANCE & INVESTMENT COMPANY LIMITED ON THE STATEMENTS OF ACCOUNT AS AT AND FOR THE YEAR ENDED MARCH 31, 2012.

- (i) The Company has not possessed any fixed assets and therefore the question of maintaining relevant records, their physical verification or revaluation does not arise.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The company has granted loans to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 21,27,177/- and the year end balance of loans given to such party was Rs. 1,22,431/-.
- (b) The rate of interest and other terms and conditions of loans given by the company are prima facie not prejudicial to the interests of the company.
- (c) According to information and explanation given to us, the payment of the principal amount and interest thereon are regular.
- (iv) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
- (v) 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 and fixed assets and for the sale of goods & services. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
- (vi) (a) According to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information / explanations given to us, there have been no transactions exceeding the value of Rs 5 lac during the year in pursuance of contracts or agreements, which are required to be entered in the Register maintained under section 301 of the Act.
- (vii) The Company has not accepted any deposits from the public.
- (viii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (ix) The maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, are not applicable to the company.

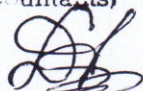


- (x) There are no undisputed statutory dues.
- (xi) The accumulated losses of the Company have not exceeded fifty percent of the net worth as on 31st March, 2012. The company has not incurred any cash loss during the year .However the company has incurred cash loss during the immediately preceeding financial year.
- (xii) Based on our audit procedures and as per the information and explanations given by the management, the company has no dues to any financial institutions nor has it issued any debentures.
- (xiii) 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.
- (xiv) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In respect of dealing in shares, securities , debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. Also, the shares, securities, debentures and other investments have been generally held by the Company in its own name subject, however, to pledging them as security for securing the loans raised against shares / securities.
- (xvi) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Bank or Financial Institutions
- (xvii) The Company has not taken any term loan from any Bank or Financial Institution. Therefore the provision of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xviii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, the company has not raised funds on short term basis which have been used for long term investment.
- (xix) The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act 1956,
- (xx) The company has not issued any debentures. Therefore, the provisions of clause 4(xix) of the Companies(Auditor's Report) Order, 2003 are not applicable to the Company.
- (xxi) The company has not raised any money through a public issue during the year.
- (xxii) 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.



F. Reg. No. - 314188E

For S. MANDAL & CO.
(Chartered Accountants)


(H. C. DEY)
Partner.

M. No: 050190

Dated: May 29, 2012

AUDITORS REPORT ON CORPORATE GOVERNANCE

To the members of
KAMINI FINANCE AND INVESTMENT COMPANY LIMITED

We have examined the compliance of conditions of Corporate Governance by KAMINI FINANCE AND INVESTMENT COMPANY LIMITED, for the year ended 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchange(s).

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no Investor grievances remaining unattended/ pending for more than 30 days.

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

For S. MANDAL & CO.
(Chartered Accountants)


(H. C. DEY)
Partner.

M. No: 050190

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KAMINI FINANCE & INVESTMENT CO. LTD.


Director

Dated: May 29, 2012



S.MANDAL & CO.
CHARTERED ACCOUNTANTS

29D, SEVEN TANKS LANE,
DUM DUM JN.
KOLKATA – 700 030
Phone : 2556-6768
2546 - 3269
Fax : (033) 2546 - 3269
E-Mail : s_mondal_co@yahoo.co.in


The Board of Directors,
KAMINI FINANCE & INVESTMENT COMPANY LIMITED
ROOM NO 5, 1ST FLOOR
H.M.MARKET, T.R.PHOOKAN ROAD
GUWAHATI-781001.

Auditors Report as specified in Paragraph 2 of N B F C Auditors Report (Reserve Bank) Directions, 2008

We have audited the Balance Sheet of **KAMINI FINANCE AND INVESTMENT COMPANY LIMITED** as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date and would like to give our Report as specified in Paragraph 2 of N B F C Auditors Report (Reserve Bank) Directions 1998 as under :-

1. The Company is a Registered Non Banking Finance Company under section 45 – IA of the Reserve Bank of India Act, 1934 and a certificate of Registration was duly obtained from R B I.
2. The Company has not accepted any Public Deposit in pursuance of a resolution passed by its Board of Directors for Non acceptance of Public Deposits.
3. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset/classification and provisioning for bad and doubtful debts as applicable to it.

For **S. MANDAL & CO.**
(Chartered Accountants)



(H. C. DEY)
Partner.

VI. No: 050190



Dated: May 29, 2012

CERTIFIED TO BE TRUE COPY
KAMINI FINANCE & INVESTMENT CO. LTD.


Director

KAMINI FINANCE AND INVESTMENT COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

(Figures in Rs.)


Sl. No.	Particulars	Note No.	As at 31st March, 2012	As at 31st March, 2011
I.	EQUITY AND LIABILITIES			
(1)	<u>Shareholder's Funds</u>			
	(a) Share Capital	2.7	120,016,500	120,016,500
	(b) Reserves and Surplus	2.8	(65,561,674)	(65,635,797)
(2)	<u>Non-Current Liabilities</u>			
	Long Term Borrowings	2.9	179,750,000	100,505,000
	Long Term Provisions	2.10	143,340	125,868
(3)	<u>Current Liabilities</u>			
	(a) Trade Payables	2.11	187,748,512	96,363,320
	(b) Other Current Liabilities	2.12	34,871,050	7,439,427
	Total Equity & Liabilities		456,967,728	258,814,319
II.	ASSETS			
(1)	<u>Non-Current Assets</u>			
	(a) Non-Current Investments	2.13	3,241,000	3,241,000
	(b) Long Term Loans and Advances	2.14	61,618,431	53,747,338
(2)	<u>Current Assets</u>			
	(a) Inventories	2.15	389,544,785	198,474,909
	(b) Trade Receivables	2.16	14,964	358,091
	(c) Cash and Bank Balances	2.17	110,993	375,840
	(d) Short - Term loans and advances	2.18	2,437,555	2,617,140
	Total Assets		456,967,728	258,814,319

Significant accounting Policies and Notes on Accounts.

1 & 2


As per our report of even date

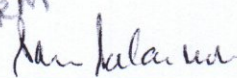
For S. MANDAL & CO.
(Chartered Accountants)


(H. C. DEY)
Partner.

Dated: May 29, 2012

For and on behalf of the Board of Directors


Managing Director


Director



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KAMINI FINANCE & INVESTMENT CO. LTD.


Director

KAMINI FINANCE AND INVESTMENT COMPANY LIMITED

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2012

(Figures in Rs.)

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2012	For the year ended 31st March, 2011
(1)	Revenue from operations	2.19	994,291,651	461,840,098
(2)	Other Income	2.20	25,790	115,207
(3)	Total Revenue (1+2)		994,317,441	461,955,305
(4)	<u>Expenses:</u>			
	Purchases of Stock in Trade		1,150,353,252	597,973,381
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.21	(191,069,876)	(109,501,375)
	Employee Benefit Expense	2.22	132,000	132,000
	Finance Costs	2.23	34,648,965	10,953,199
	Other Expenses	2.24	157,049	158,978
	Provisions	2.25	17,472	125,868
	Total Expenses		994,238,863	499,842,051
(5)	Profit before exceptional and extraordinary items and tax (3 - 4)		78,578	(37,886,747)
(6)	Exceptional Items		-	-
(7)	Profit before extraordinary items and tax (5 - 6)		78,578	(37,886,747)
(8)	Extraordinary Items		-	-
(9)	Profit before tax (7 - 8)		78,578	(37,886,747)
(10)	<u>Tax expense:</u>			
	(1) Current tax		-	-
	(2) Taxation for earlier years		4,455	2,094
(11)	Profit from operations (9 - 10)		74,124	(37,888,841)
(12)	Earning per equity share:			
	(1) Basic		0.01	(3.16)
	(2) Diluted		0.01	(3.16)

Significant accounting Policies and Notes on Accounts.

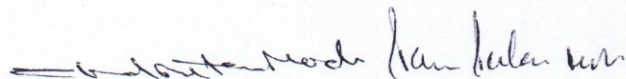
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As per our report of even date

For S. MANDAL & CO.
(Chartered Accountants)


(H. C. DEY)
Partner.

For and on behalf of the Board of Directors



Dated: May 29, 2012

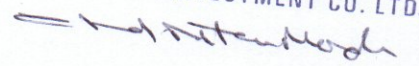
Managing Director

Director



CERTIFIED TO BE TRUE COPY

KAMINI FINANCE & INVESTMENT CO. LTD.


Director


KAMINI FINANCE AND INVESTMENT COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31ST MARCH '2012

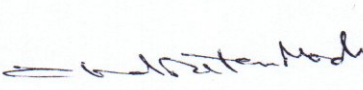
Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		78,578		(37,886,747)
<u>Adjustments for:</u>				
Provision against Standard Assets		17,472		125,868
Operating profit / (loss) before working capital changes		96,050		(37,760,879)
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(191,069,876)		(109,501,375)	
Trade Receivables	343,127		(302,024)	
Short Term Loans & Advances	179,585			
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	91,385,191		74,992,624	
Other current liabilities	27,431,623		(24,096,728)	
Provisions	-	(71,730,350)	(2,235)	(58,909,738)
Net Cash from Operating activities		(71,634,300)		(96,670,617)
Income Tax	-		-	
Taxation for earlier years	4,455	4,455	2,094	2,094
Net Cash from/(used in) operating activities activities		(71,638,755)		(96,672,711)
Cash Flow from Investment activities				
Purchase of Investment		-		(3,241,000)
Net Cash (used in) Investing activities		-		(3,241,000)
Net Cash from financing activities				
(Increase)/decrease in Long Term Loans & Advances given		(7,871,093)		(968,291)
Long Term Borrowings		79,245,000		101,129,500
Net Cash (used in) financing activities		71,373,907		100,161,209
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(264,848)		247,498
Cash and cash equivalents at the beginning of the year		375,840		128,342
Cash and cash equivalents at the end of the year		110,993		375,840

As per our report of even date

For S. MANDAL & CO.
(Chartered Accountants)


(H. C. DEY)
Partner.

For and on behalf of the Board of Directors


Managing Director


Director

Dated: May 29, 2012



CERTIFIED TO BE TRUE COPY

KAMINI FINANCE & INVESTMENT CO. LTD.


Director

KAMINI FINANCE AND INVESTMENT COMPANY LIMITED

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST MARCH 2012

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

- a) The financial statements have been prepared under the historical cost convention on the basis of a going concern in accordance with the generally accepted accounting principles as adopted consistently by the company and in accordance with the provisions of the Companies Act, 1956.
- b) The company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

1.2 Inventories

Stock-in-trade are valued as follows:-

- a) Unquoted shares : At cost
- b) Quoted shares : At cost or market value whichever is lower

1.3 Investments

Investments are valued at cost. All the investments are considered to be of long term by the management and decline in market value, if any, is of temporary nature. Bonus/ demerged shares are valued at nil cost.

1.4 RBI Prudential Norms

The Company has complied with the RBI Prudential Norms relating to Income Recognition, Accounting Standard and Asset classification and provisioning for bad and doubtful debts as applicable to it.

2 NOTES ON ACCOUNTS

- 2.1 There is no contingent liability at the end of the accounting year.
- 2.2 The Company has not accepted any Public Deposit during the year in pursuance of a resolution passed by the Board of Directors of the Company.
- 2.3 Previous year's figures have been regrouped and reclassified, wherever necessary.
- 2.4 In terms of Notification No. DNBS.222/ CGM(US)-2011 and DNBS.223/ CGM(US)-2011 both dated January 17, 2011 issued by the Department of Non-Banking Supervision, the Company has made a provision on Standard Assets at 0.25% of the amount outstanding as at the end of the financial year.

2.5 Purchases of Stock in trade

Particulars	Units	Quantity	Value (Rs.)
Quoted Equity Shares	No.	16,028,853	1,150,353,253
		(7,133,179)	(571,923,081)
Unquoted Equity Shares	No.	-	-
		(355,030)	(26,050,300)

Note: Figures in bracket relates to the previous year

For S. MANDAL & CO.
(Chartered Accountants)


(H. C. DEY)
Partner.



KAMINI FINANCE AND INVESTMENT COMPANY LIMITED

NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Notes on Accounts cond...

2.6 Related party transactions


a) Details of related parties:

Description of relationship	Names of Related Parties
Enterprise over which Key managerial personnel are able to exercise significant control	N.K. Concrete Creation Private Limited

b) Details of related party transactions during the year ended 31 March, 2012 and balances outstanding as at 31 March '12:

Particulars	During the year ended 31st March, 2012	During the year ended 31st March, 2011
Loans and Advances Given	200,000	2,300,000
Loans and Advances Recovered	2,095,000	400,000
Interest Charged	47,146	169,085
Interest Received (Gross)	169,085	7,313
Balances outstanding at the end of the year		
Particulars	As at 31st March, 2012	As at 31st March, 2011
Loans and Advances Given (Gross)	122,431	2,127,177

For S. MANDAL & CO.
(Chartered Accountants)


(H. C. DEY)
Partner.



KAMINI FINANCE AND INVESTMENT COMPANY LIMITED
Notes forming part of the financial statements as at 31st March, 2012

Note : 2.7 Share Capital

(Figures in Rs.)

Sl.	Particulars	As at	As at
1	<u>Authorized Capital</u> 12010000 Equity Shares of Rs. 10/- each.	120,100,000	120,100,000
		120,100,000	120,100,000
2	<u>Issued, Subscribed & Paid Up Capital</u> 12001650 Equity Shares of Rs. 10/- each.	120,016,500	120,016,500
	Total	120,016,500	120,016,500

Reconciliation of the number of shares outstanding

Sl. No.	Particulars	As at 31st March, 2012	As at 31st March, 2011
1	Number of shares at the beginning	12,001,650	12,001,650
	Add: Shares issued during the year	-	-
	Number of shares at the closing	12,001,650	12,001,650

Details of shares held by each shareholder holding more than 5% shares

Sl. No.	Particulars	As at 31st March, 2012		As at 31st March, 2011	
		Total No. Of shares	Holding (%)	Total No. Of shares	Holding (%)
1	Hotahoti Woods Products Ltd	1,737,000	14.473	2,687,000	22.389
2	North Eastern Publishing & Advertising Co. Ltd.	1,609,100	13.407	1,609,100	13.407
3	Purbanchal Prestressed Ltd.	2,258,500	18.818	3,458,500	28.817
4	Sangrahalaya Timber & Crafts Limited	1,047,000	8.724	1,047,000	8.724
5	Sudhir Jain	1,042,300	8.685	1,042,300	8.685
6	Utsav Parekh	860,000	7.166	860,000	7.166
	Total	8,553,900	71.273	10,703,900	89.188

Note : 2.8 Reserves & Surplus

Sl. No.	Particulars	As at 31st March, 2012	As at 31st March, 2011
1	<u>Reserve u/s 45-1C of the RBI Act, 1934</u> As per last Balance Sheet	-	-
	Add: Transferred from Profit & Loss Account	16,000	-
		16,000	-
2	<u>Surplus / (Deficit) in Statement of Profit and Loss</u> Profit / (Loss) brought forward from previous year	(65,635,797)	(27,746,957)
	Add: Profit / Loss for the year	74,124	(37,888,841)
		(65,561,674)	(65,635,797)
	Less: Appropriations Transferred to Reserve u/s 45-1C of the RBI Act, 1934	16,000	-
		(65,577,674)	(65,635,797)
	Total	(65,561,674)	(65,635,797)



KAMINI FINANCE AND INVESTMENT COMPANY LIMITED
Notes forming part of the financial statements as at 31st March, 2012

Note:2.9 Long Term Borrowings

Sl. No.	Particulars	As at 31st March, 2012	As at 31st March, 2011
1	Unsecured*	179,750,000	100,505,000
	Total	179,750,000	100,505,000

* Bearing Rate of Interest @12% p.a and repayable in 2015-16

Note:2.10 Long Term Provisions

Sl. No.	Particulars	As at 31st March, 2012	As at 31st March, 2011
1	Contingent Provisions Against Standard Assets	143,340	125,868
	Total	143,340	125,868

Note : 2.11 Trade Payables

Sl. No.	Particulars	As at 31st March, 2012	As at 31st March, 2011
1	Trade Payables for Goods	187,454,491	96,220,345
2	Trade Payables for Services	294,021	142,975
	Total	187,748,512	96,363,320

Note : 2.12 Other Current Liabilities

Sl. No.	Particulars	As at 31st March, 2012	As at 31st March, 2011
1	Interest accrued and due on borrowings	18,342,160	4,019,107
2	Other Liabilities*	16,528,890	3,420,320
	Total	34,871,050	7,439,427

* Includes TDS Payable



KAMINI FINANCE AND INVESTMENT COMPANY LIMITED
Notes forming part of the financial statements as at 31st March, 2012

Note : 2.13 Non-Current Investments

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2012			As at 31st March, 2011	
		Face Value	No. of Shares	Amount	No. of Shares	Amount
	<u>In Unquoted Equity Instruments (fully paid up)</u>					
	Sevenseas Vinimay Private Limited	10	5,000	50,000	5,000	50,000
	Dhanraksha Tradecomm Pvt. Ltd.	10	4,900	49,000	4,900	49,000
	Subhdata Vincom Pvt. Ltd.	10	4,900	49,000	4,900	49,000
	Subhdhan Tradecom Pvt. Ltd.	10	4,900	49,000	4,900	49,000
	Lilygold Vincom Pvt. Ltd.	10	4,900	49,000	4,900	49,000
	Dhanlabh Dealtrade Pvt. Ltd.	10	4,900	49,000	4,900	49,000
	Pushapratana Suppliers Pvt. Ltd.	10	4,900	49,000	4,900	49,000
	Gulshan Merchandise Pvt. Ltd.	10	4,900	49,000	4,900	49,000
	Topview Vanijya Pvt. Ltd.	10	4,900	49,000	4,900	49,000
	Brijbhumi Tradecom Pvt. Ltd.	10	4,900	49,000	4,900	49,000
	Booster Vintrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Excellent Dealtrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Dove Barter Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Kelvin Commotrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Moneyfold Dealcomm Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Parichay Agencies Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Shivhari Commodeal Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Snowfall Tracom Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Dove Commodeal Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Kelvin Tie Up Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Moneyfold Dealtrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Parichay Barter Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Shivhari Commosales Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Dove Tie Up Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Kelvin Tracom Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Moneyfold Tracom Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Parichay Commosales Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Shivhari Tie Up Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Dove Vinimay Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Dove Vintrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Kelvin Vinimay Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Kelvin Vintrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Moneyfold Vinimay Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Moneyfold Vfintrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Parichay Dealtrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Shivhari Tracom Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Shivhari Vinimay Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Hytone Vintrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Intimate Commosales Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Intimate Dealtrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Keystar Suppliers Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Keystar Vintrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Pears Dealtrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Pears Tracom Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Subhdata Merchants Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Wondersoft Merchants Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Wondersoft Commodeal Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	bal c/f		234,100	2,341,000	234,100	2,341,000



KAMINI FINANCE AND INVESTMENT COMPANY LIMITED
Notes forming part of the financial statements as at 31st March, 2012

Note : 2.13 Non-Current Investments contd..

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2012		As at 31st March, 2011		
		Face Value	No. of Shares	Amount	No. of Shares	Amount
	bal b/f		234,100	2,341,000	234,100	2,341,000
	Wondersoft Barter Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Wondersoft Tracom Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Wondersoft Vinimay Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Everfast Merchants Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Everfast Tradecomm Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Glaze Merchants Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Highpower Barter Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Highpower Commodeal Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Highpower Merchants Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Highpower Vinimay Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Highpower Vintrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Hytone Barter Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Hytone Commosales Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Hytone Dealtrade Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Hytone Vinimay Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Jatadhari Vinimay Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Panchmukhi Vanijya Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Primary Commosales Pvt. Ltd.	10	5,000	50,000	5,000	50,000
	Total		324,100	3,241,000	324,100	3,241,000

Sl. No	Particulars	Book Value	Market Value	Book Value	Market Value
	Aggregate Value of Unquoted Equity Shares	3,241,000	-	3,241,000	-

Note : 2.14 Long Term Loans and Advances
(Unsecured & Considered Good)

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2012	As at 31st March, 2011
(a)	Capital Advances	3,832,795	3,000,000
(b)	Loans and Advances to Related Party	122,431	2,127,177
(c)	Loans and Advances to Others	57,663,205	48,620,161
	Total	61,618,431	53,747,338

Note : 2.15 Inventories

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2012	As at 31st March, 2011
1	Stock - in - Trade	389,544,785	198,474,909
	Total	389,544,785	198,474,909

Note : 2.16 Trade Receivables

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2012	As at 31st March, 2011
1	Outstanding for a period not exceeding six months	-	343,127
2	Others	14,964	14,964
	Total	14,964	358,091



KAMINI FINANCE AND INVESTMENT COMPANY LIMITED
Notes forming part of the financial statements as at 31st March, 2012

Note : 2.17 Cash & Bank Balances

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2012	As at 31st March, 2011
	<u>Cash & Cash Equivalents</u>		
1	Cash-in-Hand	10,851	3,783
2	Balance with Banks	100,142	372,057
	Total	110,993	375,840

Note : 2.18 Short Terms Loans and Advances
(Unsecured & Considered Good)

(Figures in Rs.)

Sl. No	Particulars	As at 31st March, 2012	As at 31st March, 2011
	(a) Tax Deducted at Source	1,819,154	2,257,933
	(b) Income Tax Refundable	537,155	-
	(c) Others*	81,246	359,207
	Total	2,437,555	2,617,140

* Includes Interest Receivable



KAMINI FINANCE AND INVESTMENT COMPANY LIMITED
Notes forming part of the financial statements as at 31st March, 2012

Note : 2.19 Revenue from Operations

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2012	For the year ended 31st Mar '2011
1	Interest	5,051,830	6,237,957
2	Other Financial Services		
	Sale of Shares	992,702,276	457,407,624
	Dividend Income	746,961	696,343
	Profit/(Loss) on Speculation	(434,253)	(72,184)
	Profit/(Loss) on Future Trading	(3,775,163)	(2,429,642)
	Total	994,291,651	461,840,098

Note : 2.20 Other Income

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2012	For the year ended 31st Mar '2011
1	Interest on Income Tax Refund	25,790	115,207
	Total	25,790	115,207

Note : 2.21 Change in Inventories of Stock-in-Trade

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2012	For the year ended 31st Mar '2011
1	Opening Stock	198,474,909	88,973,534
2	Closing Stock	389,544,785	198,474,909
	Total	(191,069,876)	(109,501,375)

Note : 2.22 Employee Benefit Expenses

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2012	For the year ended 31st Mar '2011
1	Salaries & Allowances	132,000	132,000
	Total	132,000	132,000

Note : 2.23 Finance Costs

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2012	For the year ended 31st Mar '2011
1	Interest	34,648,965	10,953,199
	Total	34,648,965	10,953,199



KAMINI FINANCE AND INVESTMENT COMPANY LIMITED
Notes forming part of the financial statements as at 31st March, 2012

Note : 2.24 Other Expenses

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2012	For the year ended 31st Mar '2011
1	Rent	6,768	6,768
2	Miscellaneous Expenditure	150,281	152,210
	Total	157,049	158,978

Payments to the auditors comprises

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2012	For the year ended 31st Mar '2011
1	For Statutory Audit	8,273	8,273
2	For Tax Audit	2,758	2,758
	Total	11,031	11,031


Note : 2.25 Provisions

(Figures in Rs.)

Sl. No.	Particulars	For the year ended 31st Mar '2012	For the year ended 31st Mar '2011
1	Provisions Against Standard Assets	17,472	125,868
	Total	17,472	125,868

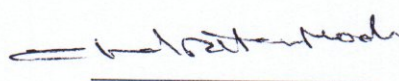
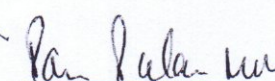
As per our report of even date

For S. MANDAL & CO.
(Chartered Accountants)


(H. C. DEY)
Partner.


Dated: May 29, 2012

For and on behalf of the Board of Directors

 
 Managing Director Director

CERTIFIED TO BE TRUE COPY

KAMINI FINANCE & INVESTMENT CO. LTD.


 Director

