FORM A

Pursuant To Clause 31(a) of the Listing Agreement

Covering letter of the Annual Audit Report to be filed with the stock exchange

(SEBI Circular No. CIR/CFD/DIL/7/2012 dated 13th August, 2012)

1.	Name of the Company	Keynote Corporate Services Limited
2.	Annual Standalone Financial statements for the year ended	31st March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed –	
	• Managing Director	For Keynote Corporate Services Limited Vineet Suchanti Managing Director
	• CFO	Not Applicable
	• Auditor of the Company	For Haribhakti & Co. LLP Chartered Accountants Firm's Registration No. 103523W Atul Gala Partner Membership No. 048650
	• Audit Committee Chairman	For Keynote Corporate Services Limited Sujal Shah Chairman Audit Committee

FORM A

Pursuant To Clause 31(a) of the Listing Agreement

Covering letter of the Annual Audit Report to be filed with the stock exchange

(SEBI Circular No. CIR/CFD/DIL/7/2012 dated 13th August, 2012)

1.	Name of the Company	Keynote Corporate Services Limited
2.	Annual Consolidated Financial statements for the year ended	31st March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed –	
	• Managing Director	For Keynote Corporate Services Limited Vineet Suchanti Managing Director
	• CFO	Not Applicable
	• Auditor of the Company	For Haribhakti & Co. LLP Chartered Accountants Firm's Registration No. 103523W Atul Gala Partner Membership No. 048650
	• Audit Committee Chairman	For Keynote Corporate Services Limited Sujal Shah Chairman Audit Committee

KEYNOTE

21st Annual Report 2013-2014

KEYNOTE CORPORATE SERVICES LIMITED

KEYNOTE CORPORATE SERVICES LIMITED
ANNUAL REPORT – 2013-2014

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BOARD OF DIRECTORS

Shri B. Madhuprasad
Chairman

Shri Vineet Suchanti
Managing Director

Shri Uday S. Patil
Director – Investment Banking

Shri Sujal Shah
Director

Shri Hitesh Shah
Director

Shri Manish Desai
Director

Shri Anish Malhotra
Director

BOARD COMMITTEES

Audit Committee		Stakeholders Relationship Committee	
Shri Sujal Shah	– Chairman	Shri B. Madhuprasad	– Chairman
Shri Hitesh Shah	– Member	Shri Uday S. Patil	– Member
Shri Manish Desai	– Member	Shri Hitesh Shah	– Member
Management Committee		**Nomination and Remuneration Committee**	
Shri Vineet Suchanti	– Chairman	Shri Anish Malhotra	– Chairman
Shri B. Madhuprasad	– Member	Shri B. Madhuprasad	– Member
Shri Uday S. Patil	– Member	Shri Hitesh Shah	– Member
		Shri Manish Desai	– Member

Company Secretary
Shri Yatin Sangani

REGISTERED OFFICE
Keynote Corporate Services Limited
The Ruby, 9th floor,
Senapati Bapat Marg, Dadar (West)
Mumbai – 400 028

SHARE TRANSFER AGENT
Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai – 400 078
Tel: (022) 25963838
Fax : (022) 25946969
www.linkintime.co.in

BANKERS
Indian Bank
State Bank of India
ICICI Bank Limited
Punjab National Bank
Kotak Mahindra Bank Limited

AUDITORS
Haribhakti & Co. LLP
Chartered Accountants,
701, Leela Business Park,
Andheri Kurla Road,
Andheri (East),
Mumbai – 400 059
www.dhc.co.in

Twentyfirst Annual General Meeting
On Tuesday, 9th September, 2014 at 10.00 a.m.
at Homi J. H. Taleyarkhan Memorial Hall,
Indian Red Cross Society, 141, Shahid Bhagat Singh Road, Fort,
(Town Hall Compound), Mumbai – 400 001.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTYFIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF KEYNOTE CORPORATE SERVICES LIMITED WILL BE HELD ON TUESDAY, 9TH DAY OF SEPTEMBER, 2014 AT HOMI J. H. TALEYARKHAN MEMORIAL HALL, INDIAN RED CROSS SOCIETY, 141, SHAHID BHAGAT SINGH ROAD, (TOWN HALL COMPOUND), FORT, MUMBAI – 400 001 AT 10.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as of 31st March, 2014 and the profit and loss account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2014.
3. To appoint a Director in place of Shri Uday S. Patil (DIN 00003978), who retires by rotation and being eligible offers himself for reappointment.
4. To reappoint M/s. Haribhakti & Co. LLP Chartered Accountants, Mumbai [Firm Registration No.103523W] as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting, until conclusion of sixth Annual General Meeting to be held after this meeting, subject to ratification at every Annual General Meeting on such remuneration as may be decided between the Auditors and the Board of Directors.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 149,150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013, Shri Hitesh Shah, Director (DIN 00061296) of the Company who in accordance with the Companies Act, 2013 is required to be appointed as an independent director, be and is hereby appointed as an independent director of the Company to hold office for five consecutive years commencing from 9th September, 2014."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 149,150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013, Shri Sujal Shah, Director (DIN 00058019) of the Company who in accordance with the Companies Act, 2013 is required to be appointed as an independent director, be and is hereby appointed as an independent director of the Company to hold office for five consecutive years commencing from 9th September, 2014."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 149,150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013, Shri Anish Malhotra, Director (DIN 02304366) of the Company who in accordance with the Companies Act, 2013 is required to be appointed as an independent director, be and is hereby appointed as an independent director of the Company to hold office for five consecutive years commencing from 9th September, 2014"

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 149,150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013, Shri Manish Desai, Director (DIN 02925757) of the Company who in accordance with the Companies Act, 2013 is required to be appointed as an independent director, be and is hereby appointed as an independent director of the Company to hold office for five consecutive years commencing from 9th September, 2014"

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provision of Sections 196, 197, 198 of Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and subject to approval of other applicable authorities, if any, the consent of the Company be and is hereby accorded for the reappointment of Shri Vineet Suchanti as a Managing Director of the Company for the further period of 5 (five) years with effect from 5th May, 2014 on such terms and conditions as set in explanatory statement with the liberty to the Board of Director to alter and vary the terms of re-appointment from time to time or as may be agreed between the Board and Shri Vineet Suchanti."

10. To adopt new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass with or without modifications(s), the following resolution as a **Special Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the new set of Article of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the clauses contained in the existing Articles of Association of the Company."

By Order of the Board
For **Keynote Corporate Services Limited**

Sd/-
Yatin Sangani
Company Secretary

Date: 7th August, 2014
Place: Mumbai

NOTES:

1) An Explanatory Statement pursuant to Section 102 of the companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.

2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3) The Register of Members and share transfer books of the Company will remain closed from Tuesday, 2nd September, 2014 to Tuesday, 9th September, 2014 (both days inclusive).

4) The dividend for the financial year 31st March, 2014, as recommended by the Board of Directors, if approved by the Members, will be paid after Annual General Meeting to those Members holding shares in physical form whose names shall appear on the Company's Register of Members on closure of business hours i.e. 1st September, 2014; in respect of the shares held in dematerialized form the dividend will be paid to the Members whose names are furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited as the beneficial owners as at the close of business hours on 1st September, 2014.

5) The Dividend is proposed to be disbursed by way of National Electronic Clearing Service (NECS). For this purpose, the details such as, name of the Bank, name of the branch, 9-digit code number appearing on the MICR band of the cheque supplied by the Bank, account type, account number etc. are to be furnished to your DP if the shares are in electronic form or to the Registrars & Transfer Agents if they are held in physical mode.

6) The practice of distributing copies of Annual Reports at the Annual General Meeting has been discontinued as a measure of economy.

7) Members are hereby informed that Dividend which remains unclaimed/un-encashed over a period of 7 years is required to be transferred to "The Investor Education & Protection Fund" constituted by the Central Government.

   Hereunder are the details of Dividends paid by the Company and their proposed dates and year of transfer of unclaimed/un-encashed dividends to the designated fund of the Central Government.

Date of Declaration of Dividend	Dividend for the year	Proposed date for transfer to Investor Education and Protection Fund (IEPF)
24th September, 2008	2007 - 2008	1st November, 2015
25th August, 2009	2008 - 2009	2nd October, 2016
29th September, 2010	2009 - 2010	6th November, 2017
30th September, 2011	2010 - 2011	7th November, 2018
27th September, 2012	2011 - 2012	4th November, 2019
25th September, 2013	2012 - 2013	2nd November, 2020

   All the members are requested to note that as per the notification of Ministry of Corporate Affairs (MCA) dated 10th May, 2012 full details of shareholders and dividend amount pending encashment have been uploaded by us on website of MCA (i.e. www.mca.gov.in). Said information for the period upto 25th September, 2013 has been made available and will be updated as per the requirements. The members may check the details for unclaimed dividend if any and approach the Company and Registrar for getting the same paid.

   It may please be noted that once the unclaimed/un-encashed dividends is transferred to "The Investor Education & Protection Fund" as above, no claim shall lie in respect of such amount by the shareholder.

8) All documents referred in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturday & Sunday between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.

9) Members are requested to:

   i. Intimate changes, if any, in their registered address at the earliest.

   ii. Furnish PAN with Income Tax Ward/Range/District to the Company.

   iii. Quote ledger folio nos. in all the correspondence with the Company and the Transfer Agent. In case shares are held in dematerialized mode, please quote the DP ID No. and client ID in all the correspondence.

   iv. Bring the copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.

   v. Send the queries, if any, at least 7 (Seven) days in advance of the meeting so that the information can be made available at the meeting.

10) Ministry of Corporate Affairs, Government of India, vide Circular No. 17/2011 dated 21st April, 2011 and Circular No.18/2011 dated 29th April, 2011 allowed service of documents by e-mode as a Green initiative in the Corporate Governance. Members are requested to Register their e-mail addresses with the Company's Registrar and Share Transfer Agents M/s. Link Intime India Pvt. Limited Unit : Keynote Corporate Services Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078, for the purpose of service of documents under Section 20 of the Companies Act, 2013. The members are also requested to update their e-mail address in the Depository Account holding shares of the Company in dematerialized mode enabling the Registrar to consider the same. The form for sending the response is annexed at the end of the Annual Report.

11) (i) Pursuant to the General Exemption granted by the Central Government, Ministry of Corporate Affairs under Section 212 of the Companies Act, 1956 vide Circular No.2/2011 dated 8th February, 2011, the Board of Directors at its meeting held on 6th September, 2011 granted its consent not to attach the Director's Report, Auditors Report, Balance Sheet, Profit and Loss Accounts and Schedules and Annexures thereto of the subsidiaries and step down subsidiaries with the Annual Accounts of the company subject to the Company fulfilling the conditions prescribed therein.

(ii) The Company has fulfilled the conditions (i) to (vii) of the said Circular by attaching the consolidated Financial Statement of the Holding, subsidiaries and step down subsidiary duly audited by the Statutory Auditors.

(iii) The Company undertakes that the Annual Accounts of the subsidiaries and step down subsidiary and the related detailed information shall be made available to the Shareholders of the Company and that of subsidiaries and step down subsidiary companies, free of cost. A copy of the Annual Accounts of the subsidiaries and step down subsidiary shall also be given to Shareholders free of cost on demand.

(iv) The Annual Accounts of the Company and its subsidiaries and step down subsidiary shall be kept for inspection by any shareholder in the Registered office of the Company at The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028 between 11.00 a.m. to 1.00 p.m. on any working day (Except Saturdays and Sundays).

(v) The Annual Accounts of the Company, subsidiaries and step down subsidiary have also been posted on the Company's website www.keynoteindia.net. Any shareholder may access the Company's website for the Annual Accounts of the Company, its subsidiaries and step down subsidiary.

12) Voting through electronic means

In compliance with provisions of Section 108 of Companies Act, 2013, rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide members the facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL). The Company has entered into an arrangement with Central Depository Services (India) Limited for facilitating e-voting for AGM.

The E-voting period for all items of business contained in this Notice shall commence from Tuesday, 2nd September, 2014 at 10.00 a.m. and will end on Thursday, 4th September, 2014 at 6.00 p.m. During this period equity shareholders of the Company holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting their after. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.

The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company.

The Company shall appoint an Independent Professional (Praticing Company Secretary – M/s. Uma Lodha & Co.) as Scrutinizer to conduct the E-voting in a fair and transparent manner. The Scrutinizer shall within a period of not exceeding 3 working days from the conclusion of voting period, shall unblock the votes in present of two witnesses, who are not in employment of the Company and after scrutinizing such votes received shall make a Scrutinizers report of the votes cast in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting and submit the same forthwith to the Chairman of the Company.

The results along with Scrutinizer's report shall be placed on the website of the Company and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders" tab.

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant "Keynote Corporate Services Limited" on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.

(B) The voting period begins on Tuesday, 2nd September, 2014 at 10.00 a.m. and ends on Thursday, 4th September, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 8th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Shri Hitesh Shah, aged 47 years is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in March, 2006. Shri Hitesh Shah is member of Audit Committee, Nomination and Remuneration Committee and Stakeholder relationship Committee. He is a Chartered Accountant by profession and has over 19 years of experience in Audits, Demerger, Business reorganization, Business valuation, Due Diligence reporting, Management Consulting, Transfer pricing, Handling joint venture problems, Accounting standards, Advisor to the companies to overseas joint venture operations, FEMA matters etc. He is on board of Keynote Capitals Limited a subsidiary of the Company.

As per New Companies Act, 2013 independent directors are not liable to retire by rotation and shall be appointed for fixed term. In terms of section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 Shri Hitesh Shah being eligible and offering himself for appointment as an independent director for term of five consecutive years commencing from the date of ensuing Annual General Meeting. A notice has been received from member proposing Shri Hitesh Shah's candidature for the office of independent director of the Company. In opinion of the Board, Shri Hitesh Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an independent director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Hitesh Shah as an independent director. Accordingly the Board recommends the resolution in relation to appointment of Shri Hitesh Shah as an independent director for the approval by the shareholders of the Company.

Shri Hitesh Shah does not hold any shares in the Company.

Except Shri Hitesh Shah, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financial or otherwise, in the resolution set out at item no. 5. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the stock exchange.

The Directors recommended the Ordinary Resolution of item No. 5 for approval by the members.

Item No. 6

Shri Sujal Shah, aged 45 years is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2008. Shri Sujal Shah is chairman of Audit Committee. He is a Chartered Accountant by profession and has over 22 years of experience in areas of corporate consultancy practice including mergers and acquisitions, restructuring of companies, valuation of business/ shares, Due Diligence review etc. He was the president of The Chamber of Tax Consultants in the year 2010-2011 and currently is a Managing Partner, SSPA & Company, Chartered Accountants. He is on the Board of Reliance MediaWorks Limited, Reliance Assets Reconstruction Co. Limited, Amal Limited, Hindoostan Technical Fabrics Limited, Hindoostan Mills Limited, Rudolf Atul Chemicals Limited, Bhishma Realty Limited, Capricon Realty Limited, i-Process Services (India) Pvt. Limited, Pramerica Trustees Private Limited, SSPA Consultants Private Limited and Raiji & Horwath Consultancy Services Pvt. Limited.

As per New Companies Act, 2013 independent directors are not liable to retire by rotation and shall be appointed for fixed term. In terms of section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 Shri Sujal Shah being eligible and offering himself for appointment as an independent director for term of five consecutive years commencing from the date of ensuing Annual General Meeting. A notice has been received from member proposing Shri Sujal Shah's candidature for the office of independent director of the Company. In opinion of the Board, Shri Sujal Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an independent director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Sujal Shah as an independent director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Sujal Shah as an independent director, for the approval by the shareholders of the Company. Shri Sujal Shah does not hold any shares in the Company.

Except Shri Sujal Shah, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financial or otherwise, in the resolution set out at item no. 6. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the stock exchange.

The Directors recommended the Ordinary Resolution of item No. 6 for approval by the members.

Item No. 7

Shri Anish Malhotra, aged 39 years is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2008. Shri Anish Malhotra is a Chairman of Nomination and Remuneration Committee. Shri Anish Malhotra is B.SC. (Hons) Economics from University of London. He has an international experience of more than a decade in Investment Banking, Merger and Amalgamation, Financial Advisory and have worked on cross border transaction. He is on the Board of Spartan Trading Interactive Solutions Private Limited and Ahimsa Hospitality Private Limited.

As per New Companies Act, 2013 independent directors are not liable to retire by rotation and shall be appointed for fixed term. In terms of section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 Shri Anish Malhotra being eligible and offering himself for appointment as an independent director for term of five consecutive years commencing from the date of ensuing Annual General Meeting. A notice has been received from member proposing Shri Anish Malhotra's candidature for the office of independent director of the Company. In opinion of the Board Shri Anish Malhotra fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an independent director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Anish Malhotra as an independent director. Accordingly, the Board recommends the resolution in relation to appointment of

Shri Anish Malhotra as an independent director, for the approval by the shareholders of the Company. Shri Anish Malhotra does not hold any shares in the Company.

Except Shri Anish Malhotra, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financial or otherwise, in the resolution set out at item no.7. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the stock exchange.

The Directors recommended the Ordinary Resolution of item No. 7 for approval by the members.

Item No. 8

Shri Manish Desai, aged 44 years is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2011. Shri Manish Desai is member of Audit Committee, Nomination and Remuneration Committee. Shri Manish Desai, by profession is a Lawyer. He has more than 20 years of experience in Litigation, Arbitration, Corporate Mergers, Acquisition, Financial structuring and restricting, advising clients on transactional matters and concluding complex transactions. He is on board of Keynote Commodities Limited a subsidiary of the Company, Omega Business Solutions Private Limited and Compuage Software Technologies Limited.

As per New Companies Act, 2013 independent directors are not liable to retire by rotation and shall be appointed for fixed term. In terms of section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 Shri Manish Desai being eligible and offering himself for appointment as an independent director for term of five consecutive years commencing from the date of ensuing Annual General Meeting. A notice has been received from member proposing Shri Manish Desai's candidature for the office of independent director of the Company. In opinion of the Board Shri Manish Desai fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an independent director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Manish Desai as an independent director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Manish Desai as an independent director, for the approval by the shareholders of the Company. Shri Manish Desai does not hold any shares in the Company.

Except Shri Manish Desai, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relative is concerned or interested, financial or otherwise, in the resolution set out at item no. 8. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the stock exchange.

The Directors recommended the Ordinary Resolution of item No. 8 for approval by the members.

Item No. 9

Shri Vineet Suchanti is the Managing Director of the Company since 5th May, 2005. He is associated with Company since September, 1997. Shri Vineet Suchanti is also the promoter of the Company and has provided immense contribution for development of Keynote Corporate Services Limited.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Vineet Suchanti as a Managing Director. The tenure of Shri Vineet Suchanti as a Managing Director is completed on 4th May, 2014 and the Board recommends for his reappointment for further period of 5 (five) years.

DETAILS OF REMUNERATION PAYABLE TO SHRI VINEET SUCHANTI ARE AS FOLLOWS:

Overall remuneration of ₹. 44.50 p.a. comprising of

Salary: ₹ 3,22,575/- p.m. to be reviewed year on year basis.

Perquisites: ₹ 5.79 lacs p.a. which include following:

a) Medical Reimbursement for self and family will be as per rules of the Company.

b) Leave Travel expenses for self and family will be as per rules of the Company.

c) Club fees (excluding admission to life membership fee) will be on actual basis.

d) Expenses on children's education not exceeding ₹ 15,000/- per annum per child, subject to maximum of two children.

e) Personal Accident Insurance and Mediclaim Insurance for self and family will be as per company's rules.

f) Contribution to Provident Fund, Superannuation fund or Annuity:
As per rules of the company to the extent these, either singly or put together are not taxable under the Income Tax Act.

g) Gratuity:
Half a months salary for each completed year of service.

h) Earned Leave and encashment of leave:
21 days leave for every year of service out of which 15 days is encashable.

i) Provision of car: For use on Company's business.

j) Reimbursement of Expenses actually incurred for Company's business:
Against submission of supporting.

k) Actual travelling and other related expenses for self touring in India and abroad on Company's Work.

He shall not be paid any sitting fees for attending the meetings of the Board of Directors/Committees thereof.

The Annual increment shall be determined by the Board from time to time and subject to approval of the Central Government, if any.

The appointment can be terminated by either side by giving six months notice in writing.

Shri Vineet Suchanti is concerned or interested in the resolution and the terms and conditions mentioned herein.

Disclosure Pursuant to Section II of Part II of Schedule V of the Companies Act, 2013

I. **General Information:**

1.	Nature of Industry	:	Merchant Baking/Corporate Advisory Services		
2.	Date or expected date of commencement of commercial production	:	Not Applicable		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Not Applicable		
4.	Financial performance based on given indicators during financial year ended 31st March, 2014	:			(₹ in lacs)
			Total Income	:	942.12
			Expenses	:	657.08
			Profit	:	285.04
			EPS (₹)	:	2.94
			P/E Ratio (times)	:	15.09
			Total Assets	:	5,068.00
5.	Foreign investment or collaborators, if any	:	As on 31st March, 2014, the foreign shareholding in the company is 5,66,124 Equity Shares representing 8.06% of the total capital.		

II. Information about Shri Vineet Suchanti, Managing Director

1. **Background Details:**

   Shri Vineet Suchanti is a Bachelor of Commerce from University of Mumbai and MBA in Finance and Marketing from University of Rochestor, New York.

2. **Past remuneration:**

   For the financial year 2013-2014 Shri Vineet Suchanti total remuneration was ₹ 45.87 lacs

3. **Recognition or awards:**

   Shri Vineet Suchanti is a Master in Business Administration (MBA) with specialization in finance from University Rochester, New York, USA. He adds innovations, perseverance and dynamism to the profession. He has been largely responsible for introducing state-of-the-art technology and modern methods of analysis and valuations in structuring and marketing, thereby taking Keynote close to international standards in terms of creativity and services.

4. **Job profile and his suitability:**

   Shri Vineet Suchanti has been largely responsible for introducing state-of-the-art technology and modern methods of analysis and valuations in structuring and marketing, thereby taking Keynote close to international standards in terms of creativity and services. Being new generation manager with responsibility of overall supervision he is best suited for the responsibility of managing the affairs of the Company in a most profitable manner.

5. **Remuneration proposed:**

   The remuneration of Shri Vineet Suchanti is set out above.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)**

   Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Shri Vineet Suchanti, the proposed remuneration is competitive with the remuneration paid by other companies to such similar positions.

7. **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:**

   Other than the remuneration stated above, Shri Vineet Suchanti has no other pecuniary relationship directly or indirectly with Company.

III. Other Information

1. **Reason of loss of inadequate profits**

   The Company has reported PAT of ₹ 206.27 lacs for the financial year ended 31st March, 2014. The company being engaged in corporate advisory services, the performance of the company is directly related to the status of capital market and more particularly primary market segment. The income is earned on completion of various assignments.

2. **Steps taken or proposed to be taken for improvement**

   The Company has well defined growth strategy wherein focus on completion of various assignments is laid. The efforts to complete the transactions within the said timelines are on. The execution team has been assigned structured timelines to adhere.

3. **Expected increase in productivity and profits in measurable terms.**

   The Company expects to increase the productivity and profit considerably. Various mandates at various stages of execution are reviewed from time to complete. As a result company expects to improve both the top line and the bottom line growth.

IV. Disclosures

The remuneration details of Shri Vineet Suchanti, Managing Director are set out above.

The Board recommends the passing of the Special Resolution as set out in item No. 9 of the accompanied notice. Except Shri Vineet Suchanti, non of the Directors and Key Managerial personnel of the company and their relative is concerned or interested, finanical or otherwise, in the resolution setout at item no. 9.

Item No. 10

The existing Article of Association (AOA) are based on the Companies Act, 1956 and several clauses in the existing AoA contain references to specific sections of the Companies Act, 1956 and some clauses in the existing AoA are no longer in conformity with the new Companies Act, 2013.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs (MCA) had notified 98 Sections for implementation. Subsequently, on March 26, 2014 MCA notified most of the remaining Sections (i.e. 183). Substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act several clauses of the existing AoA of the Company require alteration or deletions. Given this position it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table "F" of the Act which sets out the model articles of association for a company limited by shares.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No.10 of the Notice.

The Board commends the Special Resolution set out at item No. 10 of the Notice for approval by the shareholders.

By Order of the Board
For Keynote Corporate Services Limited

Sd/-
Yatin Sangani
Company Secretary

Date: 7th August, 2014
Place: Mumbai

DIRECTORS' REPORT

To

The Members of **Keynote Corporate Services Limited (Keynote)**

Dear Shareholders,

Your Directors have pleasure in presenting their 21st Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2014.

(₹ In lacs)

Details	**Year Ended 31-03-2014**	Year Ended **31-03-2013**
Total Income	**942.12**	1,069.05
Gross Operating Profit	**319.10**	480.59
Depreciation	**34.06**	28.06
Profit Before Tax	**285.04**	452.53
Provision for :		
Current Tax	**61.57**	84.21
Deferred Tax Liability/(Assets)	**16.93**	29.10
Profit After Tax	**206.53**	339.21
Add/Less : Excess Provision/Short Provision	**(0.26)**	3.37
Profit/(Loss) brought forward from Previous year	**1,494.07**	1,300.35
Surplus available for appropriations	**1,700.35**	1,642.93
Proposed Dividend	**70.18**	105.28
Tax on Dividend	**11.93**	17.89
Transferred to General Reserve	**20.63**	25.69
Balance carried forward	**1,597.61**	1,494.07

Dividend

Your directors are pleased to recommend a dividend of ₹ 1.00 per Equity Share of face value of ₹ 10/- each for the year ended 31st March, 2014. The dividend will be paid subject to approval of members at the 21st Annual General Meeting (AGM).

Operations

The first half of financial year 2013-14 remained dull as far as capital markets are concerned. The BSE Sensex & NSE Nifty was at its lowest ebb in August-September 2013. With the announcement of general elections and certain other political developments the outlook towards Indian capital market changed dramatically with the hope of a stable Government. The secondary market conditions improved with renewed activity with interest by Foreign Institutional Investors followed by good demand from domestic investors. By the end of financial year secondary market showed definite indicators of improvement with large inflows from foreign investors. Thus the hopes for general improvement of economic and capital market conditions revived by the end of financial year.

However, as far as primary market conditions are concerned the activity of equity resource raising through new issuances remained abysmally low. The financial year witnessed one large offer for sale by a company and two Follow on Public Offers (FPOs) by Public Sector Undertakings (PSUs). The activity on SME segment was brisk with about 32 IPO issuances. Your company was able to successfully complete 2 IPOs on SME platform of NSE – EMERGE. The company could also successfully complete 2 Delisting Offers and a right issue during the financial year. Company has been focusing on select capital market and corporate finance transactions.

Your Company has been able to provide corporate advisory services to some of the large corporate groups consistently and has been able to maintain its level of operations. The Company posted a total income of ₹ 942.12 lacs during the financial year with Profit After Tax of ₹ 206.53 lacs. The Company has been continuously striving to strengthen and maintain the team of professional with good execution capabilities across the Board. The overall contribution of the team has been on

increase during the financial year. Though there has been a fall in income during the financial year as compared to last financial year company is hopeful that with improvement in general market conditions company will be able to generate good business and complete various transactions on hand. Company is hoping to move forward strategically by adding new clients and transactions in year to come.

Operations of Subsidiary

Presently your company has two 100% subsidiaries namely Keynote Capitals Limited (KCL) an integrated broking house and Keynote Fincorp Ltd. (KFIN) a NBFC. KCL is a member of BSE & NSE as well as Depository Participant of Central Depository Services India Limited. KCL has a subsidiary namely Keynote Commodities Ltd. which is member of Multi Commodity Exchange of India (MCX).

During the last financial year the subsidiary was able to restructure the operations by exiting from retail business via process of realignment of business. KCL posted a total income of ₹ 919.22 lacs for 31st March, 2014 as compared to ₹ 2,215.66 lacs for 31st March, 2013. Profit After Tax stood at ₹ 81.62 lacs as compared to ₹ 98.35 lacs for the previous year.

Subsidiary Companies and Consolidated Financial Statements.

Keynote Capitals Limited (KCL) and Keynote Fincorp Limited (KFIN) are our wholly owned subsidiaries companies. Presently Keynote Capitals Limited has one wholly owned subsidiary namely Keynote Commodities Limited.

The Statement pursuant to Section 212 of the Companies Act, 1956, relating to Company's subsidiary and step down subsidiaries is annexed to this Report.

The Audited Accounts of the aforesaid Companies along with the report of the Board of Directors and the Auditors Report thereon which are required to be attached with the Annual Report of the Company have not been attached as the Board of Directors have given consent not to attach the Annual Accounts of the Company's subsidiary and step down subsidiaries with the Annual Accounts of the Company in accordance with the Ministry of Corporate Affairs, Government of India Circular No.2/2011 dated 8th February, 2011 under Section 212 of the Companies Act, 1956.

Tax Provisions

The Company has made adequate tax provisions under the provisions of Income Tax Act, 1961.

Listing

The Equity Shares of the Company continued to be listed and traded on the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE). The scrip code number of the Equity Shares of the Company on BSE is 512597 and on NSE is KEYCORPSER. The Company has paid upto date listing fees to both the stock exchanges.

Dematerialization

The Equity Shares of the Company can be held in dematerialized form. The Company has signed the tripartite agreement with National Securities Depository Ltd., (NSDL) Central Depository Services (India) Ltd., (CDSL) and existing Registrar & Transfer Agent for dematerialization of existing holding of the shareholders.

The International Securities Identification Number (ISIN), allotted to the Company is INE681C01015. The Equity Shares of the Company are listed and traded on BSE and NSE. On BSE the equity shares of the Company are traded in "B" segment. The Equity Shares of the Company are being traded in compulsory dematerialized mode. Presently 96.46% of equity capital of the company is in dematerialized mode.

Directors Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

(a) that in the preparation of the Annual Accounts for the year ended March 31, 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) 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 as at March 31, 2014 and of the profit of the Company for the year ended on that date;

(c) 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, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

(d) the annual accounts have been prepared on a going concern basis.

Corporate Governance

The Companies Act, 1956 and the listing agreement with the Stock exchanges require compliances with specified Corporate Governance practices. These practices have been fully implemented and a certificate from the Practicing Company Secretary as well as a detailed report on Corporate Governance approved by the Board of Directors of the Company is set out in the annual report. The Company is regularly complying with Corporate Governance practices and also uploading the information under Corporate Filing & Dissemination System (corpfiling). Your Company has also been enlisted in the new SEBI compliant redressal system (SCORES) enabling the investors to register their complaint if any for speedy redressal.

Particulars of Employees

Your Directors acknowledge and appreciate the sincere efforts and effective services rendered by the committed employees and staff of the company.

During the year under review, there was no employee covered under the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Auditors Observations

The Auditors have referred to certain routine matters in their report and the respective notes to the accounts are self-explanatory.

Conservation of Energy, Technology absorption, Foreign Exchange Earning and outgo:

In view of the nature of activities of the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning conservation of energy and technology absorption respectively are not applicable to the Company.

During the year the Company has earned an Income of ₹ 86.52 lacs in Foreign Exchange and has incurred an expenditure of ₹ 16.42 lacs in Foreign Exchange.

Fixed Deposits

During the year ended 31st March, 2014 the Company has not accepted any deposits from the Public under Section 58A of the Companies Act, 1956.

Directors

In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Shri Uday S. Patil (DIN : 00003978) Director retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. Also as per the provisions of Companies Act, 2013, it is proposed to appoint Shri Hitesh Shah (DIN : 00061296), Shri Sujal Shah (DIN : 00058019), Shri Anish Malhotra (DIN : 02034366) and Shri Manish Desai (DIN : 02925757) as Independent Directors of the Company for a consecutive term of five years from 21st Annual General Meeting.

Brief resumes of Directors, nature of their expertise in specific functional areas are annexed and forms part of this Report.

Based on the confirmations received, none of the Directors are disqualified for appointment under Section 274(1)(g) of the Companies Act, 1956 and Section 164(2) of Companies Act, 2013.

Statutory Auditors

The Auditors, M/s. Haribhakti & Co. LLP Chartered Accountants, Mumbai, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment.

The Ministry of Corporate Affairs has notified the provisions of Section 139 of the Companies Act, 2013 for appointment of Auditors, which is effective from April 1, 2014. Pursuant to Section 139(2) of the Companies Act, 2013 and the rules made thereunder, no listed company shall appoint or re-appoint a audit firm as auditor for more than two terms of five consecutive years. Further the aforesaid appointment is subject to ratification by the Members of the Company at every Annual General Meeting.

Pursuant to Section 139(2) of the Companies Act, 2013, the Audit Committee and Board of Directors of Company have recommended their appointment for a period of five years i.e. from the conclusion of 21st Annual General Meeting, until conclusion of sixth Annual General Meeting to be held after this meeting, subject to ratification at every Annual General Meeting. M/s. Haribhakti & Co. LLP Chartered Accountants have confirmed that re-appointment, if made, will comply with the eligibility criteria in terms of Section 141(3) of the Companies Act, 2013.

Information under the sexual harassment of women at workplace (Prevention, prohibition and Redressal), Act, 2013.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has formed a Committee to look into such cases as and when they arise. During the period under review, no cases were filed before the Committee.

Whistle Blower Policy

As per the provision of Section 177(9) of the Companies Act, 2013 the listed Company shall establish a vigil mechanism for directors and employees. The vigil mechanism shall also provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. Such mechanism has been disclosed by the Company on its website.

The purpose of the "Whistleblower Policy" is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization. They will be protected against any adverse action and/or discrimination as a result of such a reporting, provided it is justified and made in good faith. The Chairman of the Audit Committee has been designated for the purpose of receiving and recording any complaints under this policy.

Acknowledgment

We take this opportunity to express our deep sense of gratitude to Securities and Exchange Board of India (SEBI), BSE Limited (BSE), National Stock Exchange of India Limited (NSE), Registrar of Companies (ROC), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), Association of Investment Bankers of India (AIBI), Link Intime India Pvt. Limited, M/s. Haribhakti & Co. LLP Statutory Auditors, M/s. K. K. Bhageria & Co. Internal Auditors, our Clients, Bankers and other Government Agencies for their continued support.

By Order of the Board
For **Keynote Corporate Services Limited**

Sd/-
Vineet Suchanti
Managing Director

Date: 7th August, 2014
Place: Mumbai

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Company firmly believes in and continues to practice Corporate Governance. The Company's essential character is shaped by the very values of transparency, professionalism and accountability. The Company continuously endeavors to improve on these aspects on an ongoing basis.

BOARD OF DIRECTORS

Board Meetings held during the financial year 2013-2014.

The Board of Directors had met 4 times during the financial year 2013-2014. These meetings were held on 28th May, 2013, 7th August, 2013, 12th November, 2013 and 7th February, 2014. The details are as under::

Name of the Director	No. of Board Meeting attended	Attendance at previous AGM on 25/09/2013	No. of outside Directorships held (Excluding Keynote Corporate Services Limited.)	No. of Membership/ Chairmanship in other Board Committees (Excluding Keynote Corporate Services Limited)		Nature of Directorship in the Company
				Member	Chairman	
Shri B. Madhuprasad	3	Yes	2	1*	Nil	Non-Executive
Shri Vineet Suchanti	4	Yes	6	3 #	3 ##	Executive
Shri Uday S. Patil	4	Yes	1	Nil	Nil	Executive
Shri Hitesh Shah	2	Yes	1	2@	Nil	Independent
Shri Sujal Shah	4	Yes	12	4 $	6 $$	Independent
Shri Anish Malhotra	1	No	2	Nil	Nil	Independent
Shri Manish Desai	4	No	3	Nil	Nil	Independent

* Member of Audit Committee of Association of Investment Bankers of India.

\# Member of Shareholders/Investors Grievance Committee, Compensation Committee, Buy-back Committee of LKP Finance Limited.

Chairman of Audit Committee of LKP Finance Limited, Keynote Capitals Limited and Chairman of Remuneration Committee of Keynote Capitals Limited.

@ Member of Audit Committee and Remuneration Committee of Keynote Capitals Limited.

$ Member of Remuneration Committee of Reliance MediaWorks Limited, Hindoostan Mills Limited and member of Audit Committee of Amal Limited and Rudolf Atul Chemicals Limited.

$$ Chairman of Audit Committee of Reliance MediaWorks Limited, Reliance Asset Reconstruction Company Limited, Hindoostan Mills Limited and Chairman of Remuneration Committee of Reliance Asset Reconstruction Company Limited, Amal Limited and Bhishma Realty Limited.

AUDIT COMMITTEE

The Audit Committee comprises of 3 members namely Shri Sujal Shah, Shri Hitesh Shah and Shri Manish Desai. All are Independent Directors. The Committee met 4 (four) times during the year under review. The audit committee met prior to the finalization of the accounts for the year ended 31st March, 2014.

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company	No. of Meetings attended upto 31st March, 2014
1.	Shri Sujal Shah	Chairman	Independent	4
2.	Shri Hitesh Shah	Member	Independent	2
3.	Shri Manish Desai	Member	Independent	4

NOMINATION AND REMUNERATION COMMITTEE

The Company has a remuneration committee to determine the company's policy on specified remuneration packages for executive directors including pension rights and any compensation payment. However as per provision of Section 178 of the Companies Act, 2013 the nomenclature of the "Remuneration Committee" has been changed as "Nomination and Remuneration Committee"

The Board of Directors in their Board Meeting held on 7th August, 2014 has change the composition of the said committee. The details of Nomination and Remuneration Committee are as follows:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company
1.	Shri Anish Malhotra	Chairman	Independent
2.	Shri B. Madhuprasad	Member	Non Executive
3.	Shri Hitesh Shah	Member	Independent
4.	Shri Manish Desai	Member	Independent

The Managing Director and Whole-time Director are in service contract with the Company. The remuneration payable to them is in terms of the said contract. The matters of remuneration of Directors are considered by the Board of Directors of the Company from time to time.

Remuneration of Directors for the financial year 2013-2014.

Sitting fees is paid only to Independent Directors for Board Meetings attended by them. The Company has two Whole-time Directors to whom monthly remuneration is being paid as approved by the Members.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted a "Shareholders/Investors Grievance Committee" of Directors to look into the redressal of shareholder and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. The Company has also been enlisted in the new SEBI compliant redressal system (SCORES) enabling the investors to register their complaint if any for speedy redressal. However as per provision of Section 178 of the Companies Act, 2013 the nomenclature of the "Shareholders/Investors Grievance Committee" has been changed as "Stakeholders Relationship Committee."

The Board of Directors in their Board Meeting held on 7th August, 2014 has change the composition of the said committee. The details of "Stakeholders Relationship Committee" are as follows:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company
1.	Shri B. Madhuprasad	Chairman	Non Executive
2.	Shri Hitesh Shah	Member	Independent
3.	Shri Uday S. Patil	Member	Executive

The Committee meets on every 15th day of the month to consider the status of shareholders grievances/complaints, if any, such as transfer of shares, non-receipt of annual report, non-receipt of dividend warrant etc.

All valid requests for share transfer received during 2013-2014 have been acted upon by the Company and no transfer is pending.

MANAGEMENT COMMITTEE

The Company has constituted a "Management Committee" (Non-mandatory) of Directors consisting of:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company
1.	Shri Vineet Suchanti	Chairman	Executive
2.	Shri B. Madhuprasad	Member	Non-Executive
3.	Shri Uday S. Patil	Member	Executive

The said committee of Board of Director is constituted for the purposes of operational convenience in respect of Merchant Banking assignment handled by the company under the authority of Board of Directors in January, 2006. The committee has powers to open and operate Escrow/ Special Accounts and/or any such accounts with Banks for take-over, Buy Back offers and other assignments accepted by the company in the course of Merchant Banking activates.

Further the Board Meeting held on 6th September, 2011 had delegated powers to Management Committee to place the Inter Corporate Deposits (ICDs) with known corporate entities.

The Board of Directors of the Company at their meeting held on 7th February, 2013 delegated the powers to Management Committee comprising of directors of the Company to give loan to the various body corporates. The Management Committee was reconstituted in the Board Meeting held on 28th May, 2013.

GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings are as under:

Year	Venue	Date	Time
2010-2011	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort, Mumbai – 400 001	30th September, 2011	10.00 a.m.
2011-2012	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort, Mumbai – 400 001	27th September, 2012	10.00 a.m.
2012-2013	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort, Mumbai – 400 001	25th September, 2013	10.00 a.m.

Details of Special Resolutions passed in previous three Annual General Meetings.

Date of Annual General Meeting	Number of Special Resolutions passed	Details of Special Resolutions Passed
30th September, 2011	3	1. Appointment of Shri Manish Desai as an Additional Director of the Company. 2. Re-appointment of Shri B. Madhuprasad as Vice-Chairman of the Company for a period of 3 years wef. 5th May, 2011. 3. Re-appointment of Shri Vineet Suchanti as Managing Director of the Company for a period of 3 years wef. 5th May, 2011.
27th September, 2012	1	1. Re-appointment of Shri Uday S. Patil, as Whole-Time Director of the Company for a period of 3 years wef. 13th November, 2012.
25th September, 2013	1	1. Approval of Professional fees paid to Shri B. Madhuprasad, Chairman – Non Executive of the Company w.e.f. 1st May, 2013

DISCLOSURES

During the financial year 2013-2014, the Company had no materially significant related party transaction which is considered to have potential conflict with the interest of the Company at large.

MEANS OF COMMUNICATION

The quarterly, half yearly and annual results are published by the Company in the Free Press Journal and Navshakti, Mumbai and are uploaded on the company's website (i.e. www.keynoteindia.net).

"Limited Review" by the Statutory Auditors of the Company for the quarterly results was sent to BSE Limited and National Stock Exchange of India Limited where the shares of the company are listed. Shareholders can also access the quarterly results on the website of these exchanges where the equity shares of the company are listed (i.e. www.bseindia.com www.nseindia.com)

Tentative Calendar for Financial Results: 2014 – 2015:

Particulars	
1st Quarter (June, 2014)	Second week of August, 2014.
2nd Quarter (September, 2014)	Second week of November, 2014
3rd Quarter (December, 2014)	Second week of February, 2015
4th Quarter (March, 2015) and Audited Financial Results for the year ended 31st March, 2015	Last week of May, 2015

GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting

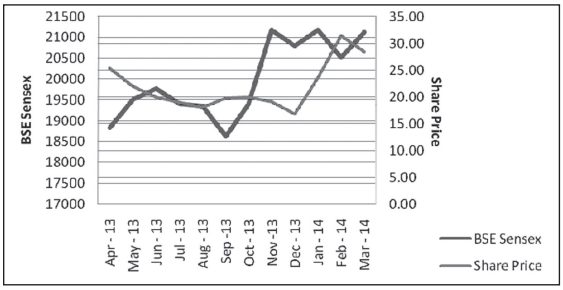
Date and time	:	Tuesday, 9th September, 2014, 10.00 a.m.
Venue	:	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort, Mumbai – 400 001
Financial Year Ending	:	31st March, 2014
Date of Book Closure	:	From Tuesday, 2nd September, 2014 to Tuesday, 9th September, 2014 (both days inclusive) for the purpose of Annual General Meeting and payment of Dividend which will be subject to approval of shareholders.
Listing on Stock Exchange and Stock Code	:	Equity Shares of the Company are listed at BSE Limited, (Scrip Code : 512597) and National Stock Exchange of India Limited, (Symbol: KEYCORPSER).
Face Value of Equity Shares	:	₹ 10/- each.

Monthly High/Low price of Equity Shares of the Company during the financial year 2013-2014 on BSE Limited and National Stock Exchange of India Limited.

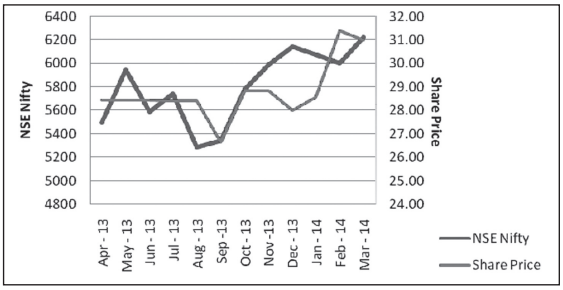
Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	Month's High Price (₹)	Month's Low Price (₹)	Month's High Price (₹)	Month's Low Price (₹)
April, 2013	31.00	25.35	29.10	25.65
May, 2013	24.10	22.00	N.T.	N.T.
June, 2013	22.00	20.00	N.T.	N.T.
July, 2013	19.05	19.00	28.40	27.05
August, 2013	19.10	18.00	N.T.	N.T.
September, 2013	19.80	18.80	26.65	26.65
October, 2013	21.90	19.00	28.85	27.90
November, 2013	21.00	19.10	N.T.	N.T.
December, 2013	18.20	16.10	28.00	27.50
January, 2014	23.50	17.65	29.40	24.00
February, 2014	31.35	23.50	31.40	29.50
March, 2014	32.90	28.35	35.25	30.40

NT: No Trading

Graphical Representation of Performance of Keynote's share price in comparison with BSE Sensex.



Graphical Representation of Performance of Keynote's share price in comparison with NSE Nifty.



REGISTRAR AND TRANSFER AGENT

Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai – 400 078
Tel : (022) 2596 3838
Fax : (022) 2594 6969
www.linkintime.co.in

SHARE TRANSFER SYSTEM

The Company's shares being in compulsory Demat list are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent and approved by the "Stakeholders Relationship Committee". The share transfer process is reviewed by the said committee.

The Company obtains half-yearly certificate of compliance related to the share transfer formalities from a Company Secretary in practice as required under Clause 47 (C) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges on or before the due date.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2014.

No. of Shares	Shareholders		Shareholding	
	Number	%	Number	%
Upto 500	2,230	91.28	3,10,727	4.43
501 to 1000	98	4.01	79,517	1.13
1001 to 2000	47	1.93	71,177	1.01
2001 to 3000	25	1.02	63,232	0.90
3001 to 4000	11	0.45	38,789	0.55
4001 to 5000	4	0.16	19,686	0.28
5001 to 10000	6	0.25	42,856	0.61
10001 and above	22	0.90	63,92,355	91.09
TOTAL	2,443	100.00	70,18,339	100.00

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2014

Sr. No.	Category of Shares	No. of Shares	% of total shares
(A)	**Promoter & Promoter Group :**		
	(a) Individuals/Hindu Undivided Family	6,51,052	9.28
	(b) Bodies Corporate	34,11,166	48.60
	Sub Total :	40,62,218	57.88
(B)	**Public Shareholding :**		
	1. Institutions		
	(a) Mutual Funds/UTI	13,900	0.20
	(b) Financial Institutions/Banks	300	0.00
	(c) Foreign Institutional Investors	5,61,348	8.00
	2. Non-Institutions		
	(a) Bodies Corporate	1,56,091	2.22
	(b) Individuals	7,60,700	10.84
	(c) Non-Resident Indians	4,776	0.07
	(d) Trust	14,51,902	20.69
	(e) Hindu Undivided Family	1,350	0.02
	(f) Clearing Members	5,754	0.08
	Sub Total :	29,56,121	42.12
	GRAND TOTAL	**70,18,339**	**100.00**

Dematerialization of Shares: 67,68,203 Equity Shares of ₹ 10/- each (i.e. 96.44%) of the total capital of the Company have been dematerialized as on 31st March, 2014.

CODE OF CONDUCT

The Company has in place a Code of Conduct applicable to the Board as well as the designated employees and the same has been posted on the website of the company (i.e. www.keynoteindia.net) All the Board Members of the Company have affirmed compliance with the Code of Conduct as on March 31, 2014.

A declaration to this effect, duly signed by Managing Director, is annexed and form part of this report.

ADDRESS FOR CORRESPONDENCE:

Keynote Corporate Services Limited
The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028.
E-mail : investors@keynoteindia.net

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Keynote has been able to achieve the income from operations of ₹ 942.12 lacs for the financial year 2013-2014. Keynote has posted PAT of ₹ 206.53 lacs as compared to PAT of ₹ 339.21 lacs for the previous financial year 2012-2013. Keynote Capital Limited (KCL), a 100% subsidiary posted a total income of ₹ 919.22 lacs for 31st March, 2014 as compared to ₹ 2,215.66 lcas for 31st March, 2013. Profit after Tax stood at ₹ 81.62 lacs as compared to ₹ 98.35 lacs for the previous year.

The first half of financial year 2013-14 remained dull as far as capital markets are concerned. The BSE Sensex & NSE Nifty was at its lowest ebb in August-September 2013. With the announcement of general elections and certain other political developments the outlook towards Indian capital market changed dramatically with the hope of a stable Government. The secondary market conditions improved with renewed activity with interest by Foreign Institutional Investors followed by good demand from domestic investors. By the end of financial year secondary market showed definite indicators of improvement with large inflows from foreign investors. Thus the hopes for general improvement of economic and capital market conditions revived by the end of financial year. The recovery in secondary market conditions is likely to have a positive impact on primary market in current financial year. The Company hopes to perform better with new assignments & also completing the pending mandates. Management is confident that company would be able to move forward to achieve better results.

It has been the endeavor of the management to focus on specified areas and transactions to earn the revenues. Multiple transaction execution capabilities are yielding results for the company to remain competitive and maintain its position in the capital market.

By Order of the Board
For **Keynote Corporate Services Limited**

Sd/-
Vineet Suchanti
Managing Director

Date: 7th August, 2014
Place: Mumbai

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting.

Name, Age, Qualification and Address of Director	Experience/Expertise in specific functional area	Directorship held in other companies.
Shri Uday S. Patil (Director due to retire by rotation seeking re-appointment) Age : 55 years Qualification: B.Sc. LL.B. (Gen) CAIIB Address : B-4, Shree Yashwant Society, Near Hotel Meghraj, 90 Feet Road, Ghatkopar (East) Mumbai – 400 077	**Shri Uday S. Patil** is Science graduate with a Law Degree and also a certified Associate of Indian Institute of Bankers. An ex-banker with rich hands-on experience on various fields of Banking/Investment Banking. Having handled various issue Assignments, Portfolio Investments, Project Appraisal and Merchant Banking functions, he is a force to reckon with as far as structuring, creativity and servicing is concerned. He is a guest faculty at Alkesh Dinesh Mody Institute of Financial and Management Studies (ADMI) & Jamanalal Bajaj Institute of Management Studies (JBIMS) of University of Mumbai and delivered lectures at Institute of Chartered Accountants of India, National Institute of Securities Markets etc. He is with the Company since inception.	• Spire Investments & Trading Pvt. Limited • Keynote Fincorp Limited
Shri Vineet Suchanti (Re-appointment of Managing Director) Age : 45 years Qualification: B.Com, MBA Address : 13/B, Jolly Maker Apartment – I, Cuffe Parade, Mumbai – 400 005	**Shri Vineet Suchanti** is a Bachelor of Commerce from the University of Mumbai and an M.B.A. in Finance and Marketing from University of Rochester, New York. Since 1995 his fields of expertise include Business Development, Structuring, Pricing and Marketing.	• Keynote Capitals Limited. • Keynote Commodities Limited. • Keynote Fincorp Limited. • LKP Finance Limited. • MITCON Consultancy & Engineering Services Limited • EagleEye Research & Media Private Limited.

Declaration by Managing Director

I, Vineet Suchanti, Managing Director of Keynote Corporate Services Limited, hereby declare that all the members of the Board of Directors have affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in terms of Clause 49 (1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges for the year ended 31st March, 2014.

For **Keynote Corporate Services Limited**

Sd/-
Vineet Suchanti
Managing Director

Place : Mumbai
Date : 7th August, 2014

Managing Director Certification

I, Vineet Suchanti, Managing Director of Keynote Corporate Services Limited hereby certify that:

(a) We have reviewed financial statement and the cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we have aware and the steps taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee that -

  (i) there has not been any significant changes in internal control over financial reporting during the year under reference;

  (ii) there has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

  (iii) there has not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Keynote Corporate Services Limited**

Sd/-
Vineet Suchanti
Managing Director

Place : Mumbai
Date : 27th May, 2014

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Keynote Corporate Services Limited

We have examined the compliance of conditions of Corporate Governance by Keynote Corporate Services Limited (the Company) for the year ended 31st March, 2014 at stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchange of India.

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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the Company complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further state that such 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 **Uma Lodha & Co.**

Practising Company Secretaries

Sd/-

Uma Lodha

Proprietor

C.P. No. 2593

Place : Mumbai

Date : 7th August, 2014

INDEPENDENT AUDITORS' REPORT

To

The Members of Keynote Corporate Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Keynote Corporate Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014,the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, 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 those books;

   c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;

   e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No.103523W

Sd/-
Atul Gala
Partner

Membership No.48650

Place: Mumbai
Date: May 27, 2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Keynote Corporate Services Limited on the financial statements for the year ended March 31, 2014]

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. in our opinion, the frequency of verification is reasonable.

(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.

(ii) The Company did not have any inventories during the year. Therefore, the provisions of clause (ii) of paragraph 4 of the Order as amended are not applicable to the Company.

(iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions stated in paragraph 4 (iii)(b),(c) and (d) of the order are not applicable.

(e) As informed, 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. Accordingly, the provisions stated in paragraph 4 (iii)(f)and (g) of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.

(v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained under Section 301 have been so entered.

(b) None of the transactions made in pursuance of such contracts or arrangements exceed the value of ₹ five lakhs in respect of any such party in the financial year.

(vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

(vii) In our opinion, the Company has an internal audit system to be commensurate with the size and nature of its business.

(viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, cess have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there is no dues of income tax, wealth tax, service tax and cess which have not been deposited on account of any dispute.

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank.

(xii) 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 & advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.

(xiv) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, the Company did not deal or trade in it. However, on short term basis, surplus funds were invested

in mutual funds for which proper records for the transactions and contracts have been maintained and timely entries have been made therein. The shares, securities and other investments have been held by the Company, in its own name. Further 1,451,702 shares for which the Company is beneficial owner, legal ownership vests with Keynote Trust, pursuant to Bombay High Court order dated March 9, 2007.

(xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.

(xvi) The Company has not obtained any term loans during the Year.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) According to the information and explanation given to us, 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.

(xix) According to the information and explanations given to us, no debentures have been issued by the Company during the year.

(xx) The Company has not raised money by way of public issue during the year.

(xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No.103523W

Sd/-
Atul Gala
Partner

Membership No.48650

Place: Mumbai
Date: May 27, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in ₹)

PARTICULARS	NOTE NO.	AS AT 31-March -2014	AS AT 31-March -2013
I. EQUITY AND LIABILITIES :			
1. Shareholders' Funds:			
(a) Share Capital	3	**70,183,390**	70,183,390
(b) Reserves & Surplus	4	**403,800,661**	391,384,252
		473,984,051	461,567,642
2. Non Current Liabilities:			
(a) Long-term borrowings	5	**3,274,507**	2,257,746
(b) Deferred tax liabilities (Net)	6	**3,891,102**	2,198,072
(c) Long-term provisions	7	**252,040**	260,537
		7,417,649	4,716,355
3. Current liabilities:			
(a) Other current liabilities	8	**13,925,950**	13,002,875
(b) Short-term provisions	9	**11,492,418**	18,162,009
		25,418,368	31,164,884
TOTAL		**506,820,068**	497,448,881
II. ASSETS:			
1. Non Current assets:			
(a) Fixed assets			
(i) Tangible assets	10	**105,775,117**	105,848,162
(b) Non-current investments	11	**232,767,292**	199,950,392
(c) Long-term loans and advances	12	**779,559**	1,132,556
(d) Other non-current assets	13	**–**	408,495
		339,321,968	307,339,605
2. Current assets:			
(a) Trade receivables	14	**4,803,788**	3,533,939
(b) Cash and Bank Balances	15	**98,365,193**	145,591,787
(c) Short-term loans and advances	16	**60,915,594**	40,285,071
(d) Other current assets	17	**3,413,525**	698,479
		167,498,100	190,109,276
TOTAL		**506,820,068**	497,448,881

Significant Accounting Policies & Notes on financial statements 1 to 34

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR HARIBHAKTI & CO.
Chartered Accountants

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-	Sd/-	Sd/-	Sd/-
Atul Gala	**B.Madhuprasad**	**Vineet Suchanti**	**Yatin Sangani**
Partner	*Chairman*	*Managing Director*	*Company Secretary*
Membership No 048650			

Place : Mumbai
Date : May 27, 2014

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	PARTICULARS	NOTE NO.	AS AT 31-March -2014	AS AT 31-March -2013
I.	**INCOME :**			
	Revenue from operations	**18**	**76,642,464**	85,813,189
	Other Income	**19**	**17,569,037**	20,592,080
	TOTAL		**94,211,501**	106,405,269
II.	**Expenses :**			
	Employee benefits expenses	**20**	**32,149,695**	32,056,304
	Other Expenses	**21**	**29,637,831**	25,608,200
	Depreciation and amortisation expenses		**3,406,342**	2,806,119
	Finance Costs	**22**	**513,943**	681,633
	TOTAL		**65,707,811**	61,152,256
III.	**Profit before tax (I-II)**		**28,503,690**	45,253,013
IV.	**Tax expenses:**			
	Current Tax		**6,157,396**	8,421,493
	Short/(Excess) provision for tax in respect of earlier years		**25,750**	(337,265)
	Deferred Tax (Assets) / Liability		**1,693,029**	2,910,359
V.	**Profit after tax for the year (III-IV)**		**20,627,515**	34,258,426
VI.	**Earnings per equity share (Basic & Diluted)**	**23**	**2.94**	4.88
	(face value of Rs.10/-each)			

Significant Accounting Policies & Notes on financial statements 1 to 34

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR HARIBHAKTI & CO.
Chartered Accountants

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-
Atul Gala
Partner
Membership No 048650

Sd/-
B.Madhuprasad
Chairman

Sd/-
Vineet Suchanti
Managing Director

Sd/-
Yatin Sangani
Company Secretary

Place : Mumbai
Date : May 27, 2014

Notes to financial statements for the year ended 31st March 2014

1. CORPORATE INFORMATION

Keynote Corporate Services Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. i.e., BSE Ltd.(BSE) & National Stock Exchange of India Ltd. (NSE).The company is Engaged in providing services of Investment Banking, Corporate Advisory Services & Esop Advisory etc.

2. BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

"The accounting policies adopted in the preparation of financial statements are consistent with those of previous year."

2.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Tangible fixed assets and Capital Work-in-Progress

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Capital work-in-progress is stated at cost comprising of direct cost and related incidental expenditure. The advances given for acquiring for Fixed Assets are shown under Loans and advances (Capital advance).

c. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates prescribed under the Schedule XIV to the Companies Act, 1956.

Assets costing up to Rs.5,000/-are fully depreciated in the year of acquisition.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use.

e. Leases

Where the company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease expenses are charged to the statement of profit and loss as per the terms of the lease arrangements.

Where the company is the lessor

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss as per the terms of lease arrangements.

f. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

g. Impairment of tangible and intangible assets

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of profit and loss in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimates of the recoverable amount and such loss either no longer exists or has decreased.

h. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i . Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i) Fees including issue Management fees is recognized with reference to achievement of milestones defined in the engagement /mandate.

ii) Dividend from investments is accounted for as income when the right to receive the dividend is established.

iii) Other income is recognized on accrual basis.

iv) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

j. Foreign currency translation

Foreign Exchange transactions are recorded at the closing rate prevailing on dates of the transactions . Exchange differences arising on Foreign exchange transactions settled during the year is recognized in the Statement of Profit & Loss.

Monetary assets & liabilities denominated in foreign currencies are converted at the closing rates as on Balancesheet date. The resultant exchange difference is recognized in the Statement of Profit and Loss.

Non-Monetary assets & liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of transaction.

k. Retirement and other employee benefits

Retirement benefit in the form of Provident Fund & ESIC is a defined contribution scheme. The contributions to the Provident Fund & ESIC are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund & ESIC.

The company operates defined benefit plan for its employees, viz., gratuity The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

l. Taxes on Income:

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the period.

(i) Current tax

The current charge for income tax is calculated in accordance with the regulations applicable to the company.

(ii) Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

m. Earnings Per Share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. Provisions

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

o. Contingent liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

p. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investment with an original maturity of three months or less.

	31-March -2014 ₹	31-March -2013 ₹
3. SHARE CAPITAL		
Authorized Shares:		
1,50,00,000 (P.Y.:1,50,00,000) equity Shares of Rs.10/-each	**150,000,000**	150,000,000
Total	**150,000,000**	150,000,000
Issued :		
1,12,74,417 (P.Y.:1,12,74,417) equity Shares of Rs.10/- each	**112,744,170**	112,744,170
Total	**112,744,170**	112,744,170
Subscribed and fully paid-up shares:		
70,18,339 (P.Y.:70,18,339) equity Shares of Rs.10/-each.	**70,183,390**	70,183,390
Total	**70,183,390**	70,183,390

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

Equity Shares

	31-March -2014		31-March -2013	
	Quantity	₹	Quantity	₹
At the beginning of the year	**7,018,339**	**70,183,390**	7,018,339	70,183,390
Issued during the year	–	–	–	–
Bought back during the year	–	–	–	–
Outstanding at the end of the year	**7,018,339**	**70,183,390**	7,018,339	70,183,390

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of 10 per share. Each holder of equity shares 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 2014, the amount of per share dividend recognized as distributions to equity shareholders is Re.1 (P.Y.: Rs.1.50 per share).

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

c. Details of shareholders holding more than 5% shares in the company

	31-March -2014		31-March -2013	
	Quantity	**% holding**	Quantity	% holding
Equity shares of Rs.10 each fully paid				
i) NSS Digital Media Ltd	**2,932,256**	**41.78**	2,910,226	41.47
ii) Keynote Trust	**1,451,702**	**20.68**	1,451,702	20.68
iii) India Max Investment Fund Limited	**561,348**	**8.00**	561,348	7.99

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. RESERVES AND SURPLUS

	31-March-2014 ₹	31-March-2013 ₹
Securities premium reserve		
Opening Balance	**230,648,293**	230,648,293
Closing Balance	**230,648,293**	230,648,293
General reserve		
Opening Balance	**11,328,928**	8,759,546
Add: Transferred during the year	**2,062,751**	2,569,382
Closing Balance	**13,391,679**	11,328,928
Surplus in the statement of profit and loss		
Opening Balance	**149,407,031**	130,034,646
Profit for the Year	**20,627,515**	34,258,426
Less: Appropriations:		
Proposed final equity dividend (amt per share Re.1 (P.Y.: Rs.1.50))	**7,018,339**	10,527,509
Tax on proposed equity dividend	**1,192,767**	1,789,150
Transfer to general reserve	**2,062,751**	2,569,382
Total appropriations	**10,273,857**	14,886,041
Net surplus in the statement of profit and loss	**159,760,688**	149,407,031
Total	**403,800,661**	391,384,252

5. LONG-TERM BORROWINGS

	31-March -2014 ₹	31-March -2013 ₹
Secured		
Vehicle Loans	**3,274,507**	2,257,746
Total	**3,274,507**	2,257,746

"Vehicle loan from Financial Institution taken during F.Y.2011-12 was carrying interest @8.82% p.a payable in 59 monthly instalments of Rs.90,085/- each. During the year, company has obtained additional vehicle loan from Financial Institution carrying interest@10.72% p.a payable in 59 monthly instalments of Rs.63,100/- each. All the above loans are secured by hypothecation of motor vehicle of the company."

6. DEFERRED TAX LIABILITY (NET)

	31-March -2014 ₹	31-March -2013 ₹
Deferred tax liability		
Fixed Assets	**5,451,831**	3,148,987
	5,451,831	3,148,987
Deferred tax Asset		
Provision for Leave Benefits	**98,366**	100,511
Provision for Gratuity	**1,048,030**	434,366
Provision for Bonus	**414,333**	416,038
	1,560,729	950,915
Total	**3,891,102**	2,198,072

7. LONG TERM PROVISIONS

	31-March-2014 ₹	31-March-2013 ₹
Provision for employee benefits		
Provision for Leave Benefits	252,040	260,537
Total	**252,040**	260,537

8. OTHER CURRENT LIABILITIES

	31-March-2014 ₹	31-March-2013 ₹
Other liabilities		
Current maturities of long-term borrowings	1,437,502	841,162
Advance from customers	4,301,000	4,678,000
Unpaid dividend	1,021,927	825,412
Interest free Security deposits	300,000	300,000
Refund Warrants payable	–	9,109
Interest Accrued but not due	8,850	12,148
Service tax accrued but not received	–	2,885
Other Payables	4,744,535	4,365,485
Provision for Bonus	1,277,032	1,282,288
Tds payable	835,104	686,386
Total	**13,925,950**	13,002,875

9. SHORT TERM PROVISIONS

	31-March -2014 ₹	31-March -2013 ₹
Provision for employee benefits		
Provision for Gratuity	3,230,175	1,338,776
Provision for Leave Benefits	51,137	49,252
	3,281,312	1,388,028
Other provisions		
Provision for taxation-(Net of Advance Tax - P.Y.6,83,37,569/-)	–	4,457,322
Proposed equity dividend	7,018,339	10,527,509
Provision for tax on proposed equity dividend	1,192,767	1,789,150
	8,211,106	16,773,981
Total	**11,492,418**	18,162,009

10. FIXED ASSETS

Sr. No.	Description	Rate Of Dep. (SLM)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			As at 01.04.2013	Additions During the Year	Deductions / Adjustments	As at 31.03.2014	Upto 01.04.2013	Provided During the Year	Deductions / Adjustments	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
1	Premises	1.63%	89,134,571	–	–	**89,134,571**	1,401,147	1,452,894	–	**2,854,041**	**86,280,530**	87,733,424
2	Motor Cars	9.50%	8,589,804	3,770,970	1,745,347	**10,615,427**	3,278,694	901,479	1,127,390	**3,052,783**	**7,562,644**	5,311,110
3	Furniture & Fixtures	6.33%	8,487,115	–	–	**8,487,115**	745,709	537,235	–	**1,282,944**	**7,204,171**	7,741,406
4	Air conditioners	4.75%	2,028,570	–	–	**2,028,570**	334,844	96,357	–	**431,201**	**1,597,369**	1,693,726
5	Office Equipments	4.75%	917,106	18,849	–	**935,955**	46,191	44,229	–	**90,420**	**845,535**	870,915
6	Computers	16.21%	3,037,762	161,435	–	**3,199,197**	1,816,602	310,607	–	**2,127,209**	**1,071,988**	1,221,160
7	Electrical Fittings	4.75%	1,337,699	–	–	**1,337,699**	61,278	63,541	–	**124,819**	**1,212,880**	1,276,421
	TOTAL		**113,532,627**	**3,951,254**	**1,745,347**	**115,738,534**	**7,684,465**	**3,406,342**	**1,127,390**	**9,963,417**	**105,775,117**	**105,848,162**
	Previous Year		12,338,179	101,194,448	–	**113,532,627**	4,878,346	2,806,119	–	**7,684,465**	**105,848,162**	

11. NON- CURRENT INVESTMENT

Particulars	31-March -2014 ₹	31-March -2013 ₹
Aggregate amount of quoted investments	**16,026,384**	13,209,484
Market Value of quoted investments	**41,690,623**	53,253,254
Aggregate amount of unquoted investments	**216,740,908**	186,740,908

A. Details of Trade Investments

Sr. No.	Particulars	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount in ₹		Basis of Valuation #
			31- March- 2014	31- March- 2013			31- March- 2014	31- March- 2013	31- March- 2014	31- March- 2013	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1	Equity Shares of Rs.10 each of Keynote Corporate Services Ltd (held by Keynote Trust)	Controlled	**1,451,702**	1,451,702	Quoted	Fully paid	**100%**	100%	**12,970,873**	12,970,873	Cost
2	Equity Shares of Rs.10 each of Keynote Capitals Ltd	Subsidiary	**11,266,667**	11,266,667	Unquoted	Fully paid	**100%**	100%	**175,500,010**	175,500,010	Cost
3	Equity Shares of Rs.10 each of Keynote Fincorp Ltd	Subsidiary	**2,000,000**	500,000	Unquoted	Fully paid	**57.14%**	100%	**37,500,000**	7,500,000	Cost
4	Investment in Keynote Trust (Initial Corpus Fund)	Subsidiary	**–**	–			**100%**	100%	**20,000**	20,000	Cost
								Total	**225,990,883**	195,990,883	

B. Details of Other Investments

Sr. No.	Particulars	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount in ₹		Basis of Valuation #
			31- March- 2014	31- March- 2013			31- March- 2014	31- March- 2013	31- March- 2014	31- March- 2013	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a)	Investment in Property								**700,000**	700,000	Cost
	Less: Accumulated Depreciation on Property								**261,492**	261,492	
	Net							Total (A)	**438,508**	438,508	
(b)	Investment in Equity Instruments										
1	Equity Shares of Rs.10 each of Indo Count India Limited	Others	**9,900**	9,900	Quoted	Fully paid	**Not Applicable**	Not Applicable	**212,355**	212,355	Cost
2	Equity Shares of Rs.10 each of Coromandal Engineering Co Ltd	Others	**1,000**	1,255	Quoted	Fully paid	**Not Applicable**	Not Applicable	**402,000**	25,100	Cost
3	Equity Shares of Rs.2 each of Scana Point Ltd	Others	**400**	400	Quoted	Fully paid	**Not Applicable**	Not Applicable	**1,156**	1,156	Cost
4	Mitcon Consultancy & Eng Services Ltd-Shares	Others	**40,000**	–	Quoted	Fully paid	**Not Applicable**	Not Applicable	**2,440,000**	–	Cost
5	Equity Shares of Rs.10 each of Dugar Finance Ltd	Others	**700**	700	Unquoted	Fully paid	**Not Applicable**	Not Applicable	**2,870**	2,870	Cost
6	Equity Shares of Rs.10 each of Dugar Housing Ltd	Others	**800**	800	Unquoted	Fully paid	**Not Applicable**	Not Applicable	**9,520**	9,520	Cost
7	Equity Shares of Rs.3 each of Stella Exports Ltd	Others	**10,000**	10,000	Unquoted	Fully paid	**Not Applicable**	Not Applicable	**30,000**	30,000	Cost
8	Equity Shares of Rs.10 each of Eagleeye Research & Media Pvt Ltd	Others	**9,600**	9,600	Unquoted	Fully paid	**22%**	14%	**3,240,000**	3,240,000	Cost
								Total (B)	**6,337,901**	**3,521,001**	
								Total (A+B)	**6,776,409**	**3,959,509**	
								Total	**232,767,292**	**199,950,392**	

12. LONG TERM LOAN & ADVANCES

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good		
Security deposit	–	1,000,000
Advance tax-(Net of Provision for taxation Rs.7,89,52,286/-)(P.Y.Rs. Nil)	**730,203**	–
Loans to employees	**49,356**	132,556
Total	**779,559**	1,132,556

13. OTHER NON-CURRENT ASSETS

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good		
Receivable from Aptech Ltd	–	408,495
Total	**–**	408,495

14. TRADE RECEIVABLES

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	**822,805**	592,145
Others	**3,980,983**	2,941,794
Total	**4,803,788**	3,533,939

15. CASH AND BANK BALANCES

	31-March -2014 ₹	31-March -2013 ₹
Cash and cash equivalents		
Balances with banks:		
- On current accounts	**94,873,526**	142,662,830
- Fixed Deposits with original maturity of less than three-month	**410,672**	382,196
On Unpaid dividend account	**1,021,645**	825,531
Cash on hand	**426,689**	221,230
	96,732,532	144,091,787
Other bank balances:		
Fixed Deposits with original maturity for more than 3 months but less than 12 months	**1,632,661**	1,500,000
	1,632,661	1,500,000
Total	**98,365,193**	145,591,787

16. SHORT-TERM LOANS & ADVANCES

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good		
Security deposit	**1,005,050**	1,000,000
Intercorporate Deposits/loans/advances		
To related parties	**50,331,116**	34,974,607
To others	**5,500,000**	–
Advances recoverable in cash or in kind *	**3,530,366**	4,075,817
Prepaid expenses	**237,862**	68,662
Loans to employees	**311,200**	165,985
Total	**60,915,594**	40,285,071

* Includes receivable from Mr. Madhuprasad, Director Rs.570,157/-

17. OTHER CURRENT ASSETS

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good unless stated otherwise		
Others		
Interest accrued on fixed deposits/loans	**3,413,525**	698,479
TOTAL	**3,413,525**	**698,479**

18. REVENUE FROM OPERATIONS

	31-March -2014 ₹	31-March -2013 ₹
Revenue from operations		
Sale of services	**75,466,003**	85,020,938
Other operating revenue		
Other	**1,176,461**	792,251
Total	**76,642,464**	85,813,189

19. OTHER INCOME

	31-March -2014 ₹	31-March -2013 ₹
Interest income on		
Bank deposits	**175,215**	733,568
Interest on NHAI Bond	–	844,274
Interest on Intercorporate Deposit	**5,401,260**	6,307,348
Dividend income on		
Current investments	**1,656,437**	7,175,978
Long-term investments	**2,177,553**	2,177,553
Profit on Sale of Investment	**6,708,580**	1,827,325
Other non-operating income	**1,449,992**	1,526,034
Total	**17,569,037**	20,592,080

20. EMPLOYEE BENEFIT EXPENSES

	31-March -2014 ₹	31-March -2013 ₹
Salaries, wages and bonus	**26,115,733**	28,014,266
Contribution to provident and other fund	**2,436,933**	2,369,115
Gratuity expenses	**2,298,048**	316,697
Staff Welfare expenses	**1,298,981**	1,356,226
Total	**32,149,695**	32,056,304

21. OTHER EXPENSES

	31-March -2014 ₹	31-March -2013 ₹
Power and fuel	**328,369**	338,497
Donation	–	50,000
Business Promotion Expenses	**2,613,091**	2,759,232
Motor Car Expenses	**1,520,266**	1,175,727
Foreign exchange loss (net)	**20,349**	594,666
Rent (Refer note 26)	–	346,104
Rates and taxes	**78,638**	274,822
Insurance	**161,125**	195,581
Interest on Delayed payment of Tds	**97,062**	–
Interest on Delayed payment of Service Tax	**265,093**	–
Prior Period expenses	–	136,000
Repairs and maintenance - Others	**2,681,115**	3,862,353
Advertising and Sales promotion	**2,558,248**	95,883
Travelling and conveyance	**3,650,329**	3,454,415
Communication costs/Telephone	**669,741**	527,529
Printing & stationery	**208,417**	382,080
Legal and professional fees	**10,877,711**	6,242,007
Director's sitting fees	**40,000**	35,000
Postage, Courier & Telegraphs	**82,588**	145,144
Auditor's Remuneration (refer note 24)	**667,444**	665,864
Subscription & Registration fees	**1,375,258**	817,956
Bad debts & Balances written off	**603,813**	2,072,089
Loss on Sale of Motor Car	**232,957**	–
Miscellaneous expenses	**906,217**	1,437,251
Total	**29,637,831**	25,608,200

22. FINANCE COST

	31-March -2014 ₹	31-March -2013 ₹
Interest Cost:		
Interest on car loan	**492,024**	307,603
Other Borrowing cost		
Bank Charges	**21,919**	26,857
Interest on income tax	–	345,713
Other Interest	–	1,460
TOTAL	**513,943**	**681,633**

23. EARNINGS PER SHARE (EPS)

	31-March -2014 ₹	31-March -2013 ₹
Profit after Tax (Rs.)	**20,627,515**	34,258,426
Weighted average number of equity shares (Nos.)	**7,018,339**	7,018,339
Basic/Diluted EPS (Rs.)	**2.94**	4.88

24. PAYMENT TO AUDITOR

	31-March -2014 ₹	31-March -2013 ₹
As auditor:		
Audit fees	**450,000**	450,000
Tax audit fees	**50,000**	50,000
In other capacity		
Other services	**150,000**	150,000
Reimbursement of expenses	**17,444**	15,864
	667,444	665,864
Add: Service tax	**82,496**	82,301
Total	**749,940**	748,165

25. GRATUITY AND OTHER BENEFIT PLANS

a) Gratuity:

Retirement Benefits in the form of Gratuity for the eligible employees are considered as Defined Benefit Plan. The company has implemented Group Gratuity Assurance Scheme of Life Insurance Corporation of India dated 5th July 2005 which is effective from 1st June 2005 and has paid Rs.4,06,649 as a total contribution during the year.

		31/3/2014	31/3/2013
I.	**ASSUMPTION**		
	Discount Rate	**9.14%**	8.00%
	Rate of Return on plan assets	**8.70%**	8.70%
	Salary Escalation	**10.00%**	10.00%
	Attrition rate	**13.00%**	13.00%
II.	**TABLE SHOWING CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:**		
	Present value of benefit obligation as at the beginning of the Current period	**6,769,954**	6,108,883
	Interest Cost	**541,596**	519,255
	Current Service Cost	**412,907**	613,818
	(Benefit paid)	**(3,461,538)**	(95,192)
	Acturial (gains)/losses on obligations	**1,601,384**	(376,810)
	Present value of benefit obligation as at the end of the Current period	**5,864,303**	6,769,954
III.	**TABLE OF FAIR VALUE OF PLAN ASSETS:**		
	Fair value of plan assets at the beginning of the period	**5,431,178**	4,750,756
	Expected return on plan assets	**472,512**	408,565
	Contributions	**406,649**	336,015
	Transfer from other company		
	(Transfer to other company)		
	(Benefit paid)	**(3,461,538)**	(95,192)
	Acturial (gains)/losses on plan assets	**(214,673)**	31,034
	Fair value of plan assets at the end of the period	**2,634,128**	5,431,178
IV.	**TABLE OF RECOGNITION OF ACTURIAL GAINS/LOSSES:**		
	Acturial (gains)/losses on obligation for the period	**1,601,384**	(376,810)
	Acturial (gains)/losses on asset for the period	**214,673**	(31,034)
	Subtotal	**1,816,057**	(407,844)
	Acturial (gains)/losses recognized in income & expenses statement	**1,816,057**	(407,844)
V.	**ACTUAL RETURN ON PLAN ASSETS:**		
	Expected return on plan assets	**472,512**	408,565
	Acturial (gains)/losses on plan asset	**(214,673)**	31,034
	Actual return on plan assets	**257,839**	439,599
VI.	**AMOUNT RECOGNIZED IN THE BALANCE SHEET:**		
	Fair value of plan assets at the end of the period	**2,634,128**	5,431,178
	(Present value of benefit obligation as at the end of the period)	**(5,864,303)**	(6,769,954)
	Funded status	**(3,230,175)**	(1,338,776)
	Unrecognized past service cost at the end of the period		
	Unrecognized transitional liability at the end of the period		
	Net(liability)/ assets recognized in the balance sheet	**(3,230,175)**	(1,338,776)
VII.	**EXPENSES RECOGNIZED IN THE INCOME STATEMENT:**		
	Current Service Cost	**(412,907)**	613,818
	Interest Cost	**541,596**	519,255
	(Expected return on plan assets)	**(472,512)**	(408,565)
	Acturial (gains)/losses	**1,816,057**	(407,844)
	Past service cost (non vested benefit) Recognized during the period		
	Past service cost (vested benefit) Recognized during the period		
	Transitional liability recognized during the period		
	Expenses recognized in P&L	**2,298,048**	316,664
VIII.	**BALANCESHEET RECONCILIATION:**		
	Opening net liability	**1,338,776**	1,358,127
	Expenses as above	**2,298,048**	316,664
	Net transfer in		
	(Net transfer Out)		
	(Employer's contribution)	**(406,649)**	(336,015)
	Net liability / (assets) recognized in the balance sheet	**3,230,175**	1,338,776
IX.	**OTHER DETAILS:**		
	No.of members	**25**	26
	Salary pm	**1,406,288**	1,805,877
	Prescribed contribution for next year (12 months)	**1,406,288**	1,751,683
X.	**CATEGORY OF ASSETS:**		
	Government of India assets		
	Corporate bonds		
	Special Deposit scheme		
	Equity shares of listed companies property		
	Insurer managed funds	**2,634,128**	5,431,178
	Other		
	Total	**2,634,128**	5,431,178

XI. EXPERIENCE ADJUSTMENT (Disclosure as per Para 120(n) of AS-15:

Particulars	31- March- 2014	31- March- 2013	31- March- 2012	31- March- 2011	31- March- 2010
Present value of benefit obligation	**5,864,303**	6,769,954	6,108,883	5,866,950	5,165,876
Fair value of plan assets	**2,634,128**	5,431,178	4,750,756	3,836,067	3,100,016
Surplus / (Deficit)	**(3,230,175)**	(1,338,776)	(1,358,127)	(2,030,883)	(2,065,860)
Experience adjustment on plan liability (gains)/losses	**1,963,668**	(531,484)	(729,151)	(217,650)	*
Experience adjustment on plan assets (losses)/gains	**(214,673)**	31,034	74,513	53,510	*

* Note : Experience adjustments have not been disclosed as details were not received from the Actuary.

Note:

1. Disclosures of plan assets

The company has group plan with LIC of India and has not been provided with the details of the planned assets. As a result, no disclosure for the same has been made.

(b) Compensated Absences:

As per the Company's Policy, a sum of Rs.6,19,905/- (P.Y.Rs.6,41,596/-) has been paid towards compensated absences; calculated on the basis of unutilised leave. During the year Company has provided to the extent of Rs.3,03,177/- (P.Y. Rs.3,09,789/-) as per actuarial valuation done by independent actuary.

B. Defined Contribution Plans

Company's Contribution Paid / Payable during the year to Provident fund and ESIC Contribution are recognized as an Expense:

Particulars	31-March- 2014	31- March- 2013
1) Contribution to Employees Provident Fund	**2,411,800**	2,340,225
2) Employees State Insurance Scheme	**25,133**	23,287

26. LEASES

Operating lease: company as lessee

The aggregate lease rentals in respect of Operating Leases for the period charged as lease rentals in the Statement of Profit and Loss aggregate to Rs.Nil (P.Y. Rs. 3,46,104).

Operating lease commitment - Company as lessor

The Company has received Rs.14,49,992/- on account of lease of a premises The Future Minimum Lease Receivable under non cancellable operating leases are as under:

Particulars	31- March- 2014	31- March- 2013
1) Not later than one year	**NIL**	1,449,992
2) Later than one year and not later than five year	**NIL**	NIL
3) Later than five year	**NIL**	NIL

Disclosure in respect of the gross carrying amount and accumulated depreciation of the asset given on lease has been stated in the financial statements.

27. SEGMENT INFORMATION

The company operates only in one segment i.e. merchant banking & related services, hence there are no separate reportable segments under AS 17.

28. Related Party Disclosure as per Accounting Standard 18 issued by the institute of Chartered accountant of India

a) List of related parties:

A) Enterprise where control exist:

Subsidiary Companies:

Keynote Capitals Ltd

Keynote Fincorp Ltd

Keynote Commodities Ltd (Step Down Subsidiary)

B) Key Management Personnel:

Mr. B. Madhuprasad-Chairman

Mr. Uday S. Patil-Director

Mr. Vineet Suchanti-Managing Director

C) Relatives of Key Management Personnel:

Mrs. Pushpa Suchanti

Mrs. Rinku Suchanti-Wife of Managing Director

D) Enterprise over which Key Management Personnel exercise Significant Influence:

Concept Communication Ltd.

Concept Production Ltd

Nirmal Suchanti HUF

Keynote Trust

NSS Digital Media Ltd

Eagle Eye Research & Media Pvt. Ltd.

28. b) Description of the nature of transactions with the Related Parties as on 31st March, 2014:

Particulars	Name of the related Party	Subsidiary Company		Key Management Personnel/ Relatives		Enterprise over which key Management Personnel exercise significant influence		Total	
		2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
Purchase of Investment	Keynote Capitals Ltd	–	7,500,000					–	7,500,000
Sale of Shares/Bond	Keynote Capitals Ltd	**(75,645)**	(15,345,108)					**(75,645)**	(15,345,108)
Investment in Equity Shares	Eagle Eye Research & Media Pvt Ltd					–	800,000	–	800,000
Receiving of Services	Concept Communication Ltd					**93,248**	85,883	**93,248**	85,883
Providing of Services	Eagle Eye Research & Media Pvt Ltd					–	(58,427)	–	(58,427)
Managerial Remuneration (Net of recovery)	B.Madhuprasad			**(395,597)**	5,771,597			**(395,597)**	5,771,597
Managerial Remuneration	Vineet Suchanti			**4,029,790**	5,605,600			**4,029,790**	5,605,600
Managerial Remuneration	Uday Patil			**4,029,100**	3,951,720			**4,029,100**	3,951,720
Dividend Paid	Keynote Trust					**2,177,553**	2,177,553	**2,177,553**	2,177,553
Dividend Paid	Pushpa Suchanti			**198,462**	198,462			**198,462**	198,462
Dividend Paid	Rinku Suchanti			**5,703**	5,703			**5,703**	5,703
Dividend Paid	B.Madhuprasad			**72,825**	71,250			**72,825**	71,250
Dividend Paid	Vineet Suchanti			**17,966**	17,966			**17,966**	17,966
Dividend Paid	Nirmal Suchanti			**176,471**	176,471			**176,471**	176,471
Dividend Paid	Concept Production Ltd					**362,400**	362,400	**362,400**	362,400
Dividend Paid	NSS Digital Media Ltd					**4,398,384**	4,309,370	**4,398,384**	4,309,370
Dividend Paid	Nirmal Suchanti-HUF					**423,749**	423,749	**423,749**	423,749
Dividend Received (Receipt of Money)	Keynote Trust					**(2,177,553)**	(2,177,553)	**(2,177,553)**	(2,177,553)
Interest Received	Keynote Capitals Ltd	**(699,206)**	–					**(699,206)**	–
Interest Received	Keynote Fincorp Ltd	**(526,027)**	(1,934,332)					**(526,027)**	(1,934,332)
Interest Received	Eagle Eye Research & Media Pvt Ltd	–	–			**(125,445)**	–	**(125,445)**	–
Interest Received	Concept Communication Ltd	–	–			**(3,231,123)**	(739,341)	**(3,231,123)**	(739,341)
Loans & advances Given	Keynote Capitals Ltd	**64,000,000**	15,000,000					**64,000,000**	15,000,000
Loans & advances Given	Eagle Eye Research & Media Pvt Ltd					–	487,857	–	487,857
Loans Given	Concept Communication Ltd					**100,500,000**	82,500,000	**100,500,000**	82,500,000
Loans Repaid	Concept Communication Ltd					**(68,000,000)**	(65,000,000)	**(68,000,000)**	(65,000,000)
Loans & advances repaid	Keynote Capitals Ltd	**(80,000,000)**	(45,000,000)					**(80,000,000)**	(45,000,000)
Expenses incurred on behalf of (Expenses Reimburse)	Keynote Capitals Ltd	**(20,000)**	(1,000)					**(20,000)**	(1,000)
Expenses incurred by (Reimbursement)	Keynote Capitals Ltd	**121,863**	8,684					**121,863**	8,684
Reimbursement of exp to Director (Net of Recovery)	Vineet Suchanti			**417,482**	541,795			**417,482**	541,795
Outstanding balance									
Loan Given	Keynote Capitals Ltd	**(1,263,676)**	14,845,870					**(1,263,676)**	14,845,870
Loans Given	Concept Communication Ltd					**50,000,000**	17,500,000	**50,000,000**	17,500,000
Loan Given	Eagle Eye Research & Media Pvt Ltd					–	2,387,857	–	2,387,857
Loan Given	Keynote Trust					**331,116**	248,563	**331,116**	248,563

29. CONTINGENT LIABILITIES NOT PROVIDED FOR:

i) Guarantee given by the Company to the Bankers of its subsidiary, Keynote Capitals Limited Rs.22,00,00,000 (Previous year Rs. 31,00,00,000) towards NSE & BSE operations.

30. (a) The Company had given unsecured loan to a body corporate in which one of the director was interested as a major shareholder.

(b) The Company had given unsecured loan to a private limited company at a interest rate lower than the prevailing bank rate notified by Reserve Bank of India.

31. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company has not received any information from suppliers or service providers, whether they are covered under the "Micro, Small and Medium Enterprises (Development) Act, 2006". Disclosure relating to amount unpaid at the year-end together with interest payable, if any, as required under the said act are not ascertainable.

32. Income and Expenditure in Foreign Currency Transaction

Particular	31- March- 2014	31- March- 2013
Professional fees (Income)	**8,652,249**	45,487,741
Expenditure-Other Matters	**1,642,143**	1,814,467

33. Disclosure as per clause 32 of the Listing Agreement

a) Loan given to subsidiary company where no repayment schedule is prescribed.

Name of Subsidiary Company	Amount Outstanding	Maximum Balance Outstanding during the year
Keynote Capitals Ltd	–	34,268,476
Keynote Fincorp Ltd	–	30,000,000

34. **Previous year figures have been regrouped and / or rearranged wherever considered necessary.**

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-	Sd/-	Sd/-
B.Madhuprasad	**Vineet Suchanti**	**Yatin Sangani**
Chairman	*Managing Director*	*Company Secretary*

Place : Mumbai
Date : May 27, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31St MARCH, 2014

	31- MARCH- 2014 ₹	31- MARCH- 2014 ₹	31- MARCH- 2013 ₹	31- MARCH- 2013 ₹
CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit Before Tax and Extraordinary items		**28,503,690**		45,253,013
Net prior year Adjustments				
Adjustment For :				
Depreciation	**3,406,342**		2,806,119	
Excess Provision of Bonus written back	**(617,573)**		(499,793)	
Loss on Sale of Fixed Assets	**232,957**		–	
Profit on Sale of Investment	**(6,708,580)**		(1,827,325)	
Finance Cost	**492,024**		654,776	
Assets written off	–		3,485	
Dividend Income	**(1,656,437)**		(7,175,978)	
Interest Income	**(5,576,475)**		(7,885,190)	
		(10,427,742)		(13,923,906)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**18,075,948**		31,329,107
Adjustment For :				
Trade and other receivables	**(1,269,849)**		1,365,678	
Short-term loans and advances	**(20,630,523)**		85,071,445	
Other current assets	–		91,855	
Long-term loans and advances	**1,083,200**		88,130	
Other non-current assets	**408,495**		2,690,630	
Long term provisions	**(8,497)**		(38,130)	
Short Term provisions	**1,893,284**		334,396	
Other Bank Balances	**(132,661)**		–	
Other Long term liabilities	–		87,338	
Other Current liabilities	**944,308**	**(17,712,243)**	3,005,019	92,696,361
CASH FROM OPERATING ACTIVITIES		**363,705**		124,025,468
Less: Taxes paid	–	**(11,370,667)**	–	(9,761,017)
NET CASH (USED IN) FROM OPERATING ACTIVITIES (A)		**(11,006,962)**		114,264,451
CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	**(3,951,254)**		(4,426,718)	
Sale of Fixed Assets	**385,000**		–	
Purchase of Investments	**(529,087,243)**		(800,000)	
Sale of Investment	**532,978,922**		28,208,508	
Investment in Subsidiary Companies	**(30,000,000)**		(7,500,000)	
Interest Received	**2,861,428**		7,885,190	
Dividend Received	**1,656,437**		7,175,978	
NET CASH (USED IN) FROM INVESTING ACTIVITIES (B)		**(25,156,710)**		30,542,958
CASH FLOW FROM FINANCING ACTIVITIES :				
Dividend Paid	**(10,527,509)**		(10,527,509)	
Dividend Distribution Tax Paid	**(1,789,150)**		(1,707,825)	
Interest Paid	**(492,024)**		(309,063)	
Proceeds from Borrowing	**2,892,900**		–	
Repayment of Borrowing	**(1,279,800)**		(785,565)	
NET CASH (USED IN) FINANCING ACTIVITIES (C)		**(11,195,583)**		(13,329,962)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**(47,359,255)**		131,477,447
CASH AND CASH EQUIVALENTS (OPENING BALANCE)		**144,091,787**		12,614,340
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)		**96,732,532**		144,091,787

Note: The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard 3 'Cash Flow Statement'.

Cash and Cash Equivalents	**31-March- 2014**	31-March- 2013
Balances with Bank	**95,284,198**	143,045,026
Cash on Hand	**426,689**	221,230
Unpaid Dividend bank balances	**1,021,645**	825,531
Total	**96,732,532**	144,091,787

AS PER OUR REPORT OF EVEN DATE
FOR HARIBHAKTI & CO.
Chartered Accountants

Sd/-
Atul Gala
Partner
Membership No 048650

Place : Mumbai
Date : May 27, 2014

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-	Sd/-	Sd/-
B.Madhuprasad	**Vineet Suchanti**	**Yatin Sangani**
Chairman	*Managing Director*	*Company Secretary*

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary Companies

1.	Name of Subsidiary	:	Keynote Capitals Ltd.	Keynote Commodities Ltd	Keynote Fincorp Ltd.
2.	The Financial year of subsidiary Company ended on	:	31st March, 2014	31st March, 2014	31st March, 2014
3.	a. No. of Equity Shares held by Keynote Corporate Services Ltd. and/or its Nominees in subsidiary as on 31st March, 2014	:	1,12,66,667 Equity Shares	350,000 Equity Shares	350,0000 Equity Shares
	b. Extent of interest of Keynote Corporate Services Ltd. in the Capital of subsidiary	:	100 %	100%	100%
4.	Net aggregate amount of profits / (losses) of the subsidiary so far as it concerns the members of Keynote Corporate Services Ltd. and is not dealt with the Company's Accounts.				
	a. Profits / (Losses) for the year ended on 31st March, 2014 of the subsidiary	:	Rs. 8,162,103/-	Rs. 88,488 /-	Rs. 3,492,756 /-
	b. Profits / (Losses) for the previous financial years of the subsidiary since it became subsidiary of Keynote Corporate Services Ltd.	:	Rs. 9,834,814/-	Rs. 4,590,589 /-	Rs. 1,516,948 /-
5.	Net aggregate amount of Profits / (Losses) of the subsidiary so far as dealt with or provision made for those losses in the accounts of Keynote Corporate Services Ltd.				
	a. Profits of the subsidiary for the financial year ended on 31st MARCH, 2013	:	NIL	NIL	NIL
	b. Profits for the previous financial year of the subsidiary since it became subsidiary of Keynote Corporate Services Ltd.	:	NIL	NIL	NIL

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-	Sd/-	Sd/-
B.Madhuprasad	**Vineet Suchanti**	**Yatin Sangani**
Chairman	*Managing Director*	*Company Secretary*

Place : Mumbai
Date : May 27, 2014

Statement pursuant to exemption granted by the Ministry of Corporate Affairs under Section 212(8) of the Companies Act, 1956 Relating to Subsidiary Companies for the year ended March 31, 2014

Details of Subsidiary Companies

Particulars	Name of Subsidiaries		
	Keynote Capitals Limited	Keynote Commodities Limited	Keynote Fincorp Limited
Share Capital	112,666,670	3,500,000	35,000,000
Reserves & Surplus	195,840,079	16,424,052	34,892,038
Total Assets	527,594,908	387,485,865	351,366,507
Total Liabilities	527,594,908	387,485,865	351,366,507
Investmen (Except investment in subsidiaries)	2,467,788	–	–
Turnover	91,922,222	7,389,593	20,718,303
Profit/(Loss) before Taxation	11,835,134	116,436	5,392,757
Provision for Taxation	2,470,355	46,523	1,900,000
Deferred Tax (Asset) / Liability	1,202,677	(18,575)	–
Profit/(Loss) after Taxation	8,162,102	88,488	3,492,757

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-	Sd/-	Sd/-
B.Madhuprasad	**Vineet Suchanti**	**Yatin Sangani**
Chairman	*Managing Director*	*Company Secretary*

Place : Mumbai
Date : May 27, 2014

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KEYNOTE CORPORATE SERVICES LIMITED

To

The Board of Directors of Keynote Corporate Services Limited

We have audited the accompanying consolidated financial statements of Keynote Corporate Services Limited ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements on the basis of separate financial statements and other financial information regarding components that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 "Consolidated Financial Statements", as notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate financial statements of Keynote Corporate Services Limited and its subsidiaries(including subsidiaries of subsidiaries).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as mentioned in the 'Other Matter' paragraph below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;

(b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of Rs 1,27,98,35,449 as at March 31, 2014, total revenues of Rs 12,00,30,118 and net cash outflows amounting to Rs 1,19,35,929 for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion in so far as it relates to amounts and disclosures of these subsidiaries is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No.103523W

Sd/-
Atul Gala
Partner

Membership No.48650

Place: Mumbai
Date: May 27, 2014

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2014

(Amount in ₹)

PARTICULARS	NOTE NO.	AS AT 31-March -2014	AS AT 31-March -2013
I. EQUITY AND LIABILITIES :			
1. Shareholders' Funds:			
(a) Share Capital	3	**55,666,370**	55,666,370
(b) Reserves & Surplus	4	**559,526,322**	536,104,293
		615,192,692	591,770,663
2. Non Current Liabilities:			
(a) Long-term borrowings	5	**3,784,887**	3,128,640
(b) Deferred tax liabilities (Net)	6	**7,295,131**	4,417,999
(c) Long-term provisions	7	**252,040**	260,537
		11,332,058	7,807,176
3. Current liabilities			
(a) Short Term Borrowings	8	**92,873,875**	332,151,988
(b) Trade payables	9	**174,491,136**	312,224,594
(c) Other current liabilities	10	**308,580,328**	124,161,006
(d) Short-term provisions	11	**13,972,545**	21,508,117
		589,917,884	790,045,705
TOTAL		**1,216,442,634**	1,389,623,544
II. ASSETS:			
1. Non Current assets:			
(a) Fixed assets			
(i) Tangible assets	12	**203,309,339**	215,045,651
(ii) Intangible assets	12	**38,855,358**	39,553,608
(iii) Goodwill on Consolidation (Net)		**1,041,615**	1,041,615
(iv) Capital Work-in-Progress		**–**	–
(b) Non-current investments	13	**8,211,567**	7,622,142
(c) Long-term loans and advances	14	**130,017,736**	37,088,085
(d) Other non-current assets	15	**–**	408,495
		381,435,615	300,759,596
2. Current assets			
(a) Current investments	16	**1,032,630**	41,406
(b) Inventory	17	**33,638,937**	51,337,832
(c) Trade receivables	18	**78,670,124**	99,248,098
(d) Cash and Bank Balances	19	**328,635,869**	496,702,369
(e) Short-term loans and advances	20	**388,194,404**	423,938,750
(f) Other current assets	21	**4,835,055**	17,595,493
		835,007,019	1,088,863,948
TOTAL		**1,216,442,634**	1,389,623,544

Significant Accounting Policies & Notes to consolidated financial statements 1 to 37

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR HARIBHAKTI & CO.
Chartered Accountants

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-	Sd/-	Sd/-	Sd/-
Atul Gala	**B.Madhuprasad**	**Vineet Suchanti**	**Yatin Sangani**
Partner	*Chairman*	*Managing Director*	*Company Secretary*
Membership No 048650			

Place : Mumbai
Date : May 27, 2014

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March 2014

(Amount in ₹)

	PARTICULARS	NOTE NO.	YEAR ENDED 31-March -2014	YEAR ENDED 31-March -2013
I.	**INCOME :**			
	Revenue from operations	**22**	**168,348,436**	288,732,805
	Other Income	**23**	**48,492,099**	47,858,981
	TOTAL		**216,840,535**	336,591,786
II.	**Expenses :**			
	Employee benefits expenses	**24**	**65,869,220**	120,845,639
	Other Expenses	**25**	**76,217,147**	91,506,921
	Depreciation and amortisation expenses		**9,470,748**	9,603,452
	Finance Costs	**26**	**21,624,836**	46,253,993
	TOTAL		**173,181,951**	268,210,005
III.	**Profit before tax (I-II)**		**43,658,584**	68,381,781
IV.	**Tax expenses:**			
	Current Tax		**10,574,274**	16,073,392
	Short/(Excess) provision for tax in respect of earlier years		**25,750**	(592,166)
	Deferred Tax (Assets) / Liability		**2,877,133**	4,011,407
V.	**Profit after tax for the year (III-IV)**		**30,181,427**	48,889,148
VI.	**Earnings per equity share (Basic & Diluted) Rs. (face value of Rs.10/-each)**	**27**	**5.42**	8.78

Significant Accounting Policies & Notes to consolidated financial statements 1 to 37

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR HARIBHAKTI & CO.
Chartered Accountants

Sd/-
Atul Gala
Partner
Membership No 048650

Place : Mumbai
Date : May 27, 2014

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-	Sd/-	Sd/-
B.Madhuprasad	**Vineet Suchanti**	**Yatin Sangani**
Chairman	*Managing Director*	*Company Secretary*

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

1. CORPORATE INFORMATION

Keynote Corporate Services Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. i.e, BSE Ltd.(BSE) & National Stock Exchange of India Ltd. (NSE).The Company is engaged in providing services of Investment Banking, Corporate Advisory Services, Esop Advisory, etc.

2. BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of Significant Accounting Policies

a. Principles and assumptions used for Consolidated Financial Statements and Pro-Forma Adjustments:

The Consolidated Financial Statements have been prepared substantially applying the principles laid in the Accounting Standard (AS) 21 Consolidated Financial Statements issued by the Institute of Chartered Accountants of India as considered appropriate for the purposes of these Consolidated Balance Sheet and Consolidated Statement of Profit and Loss, together referred to in as 'Consolidated Financial Statements'.

Principles used in preparing Consolidated Financial Statements:

a) In preparing Consolidated Financial Statements,the financial statements of the parent and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, income and expenses.

b) The cost to the parent of its investment in each subsidiary and the parent's portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated.

c) Intra-group transactions are eliminated in preparation of Consolidated Financial Statements.

d) The excess of the cost to the parent of its investment in a subsidiary over the parent's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, is treated as goodwill & recognized as an asset in the Consolidated Financial Statements.

e) When the cost to the parent of its investment in a subsidiary is less than the parent's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, the difference is treated as a capital reserve in the Consolidated Financial Statements.

As far as possible the consolidated financial statement are prepared using uniform accounting policy for like transaction and other event in similar circumstance and are presented in the same manner as holding company separate financial statements except as provided under para (e) (ii), (i) (ii) & (i) (iii).

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Tangible fixed assets and Capital Work-in-Progress

Fixed assets are stated at cost, net of accumulated depreciation and impairment losses, if any. The cost of Fixed Assets comprises of purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Capital work-in-progress is stated at cost comprising of direct cost and related incidental expenditure. The advances given for acquiring for Fixed Assets are shown under Loans and advances.

d. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates prescribed under the Schedule XIV to the Companies Act, 1956.

Assets costing up to Rs.5,000/-are fully depreciated in the year of acquisition.

e. Intangible assets

i). Expenses incurred on Computer Software having enduring benefits are capitalized and amortized on Straight Line Method (SLM) basis over a period of five years.

ii). Payment made for the membership of the Bombay Stock Exchange, National Stock Exchange and OTC exchange has been treated as intangible asset however considering the enduring nature of the stock exchange card, the same has not been amortized.

f. Leases

Where the company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease expenses are charged to the statement of profit and loss as per the terms of the lease arrangements.

Where the company is the lessor

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss as per the terms of lease arrangements.

g. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

h. Impairment of tangible and intangible assets

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of profit and loss in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimates of the recoverable amount and such loss either no longer exists or has decreased.

i. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If

an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

j . Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i) Fees including issue Management fees is recognized with reference to achievement of milestones defined in the engagement /mandate.

ii) Brokerage income is recognised on trade date basis and is exclusive of service tax and Securities Transaction Tax (STT), wherever applicable.

iii) Advisory and transactional processing fees income is accounted for an accrual basis in accordance with the terms of contracts entered into between the company and the counter party.

iv) Income from investment in Mutual Fund is booked as and when the same is distributed by the Fund. Return of capital contribution is reduced from the original cost of investments.

v) Profit/loss on sale of securities is determined based on the weighted average cost of the securities sold.

vi) Profit/loss on equity derivative transactions is accounted for as explained below:-

(a) Initial and additional margin paid over and above initial margin, for entering into contracts for Equity Index/Stock Futures or equity Index/stock options which are released on final settlement/squaring-up of underlying contracts are disclosed under Current Assets, Loans and advances. “Mark-to-market margin- Equity Index/Stock Futures” representing the amounts paid in respect of mark to market margin is disclosed under Loans and Advances and amount received is shown under Current Liabilities.

(b) “Equity Index/Stock Option Premium Account” represents premium paid or received for buying or selling the options, respectively.

(c) On final settlement or squaring-up of contracts for equity index / stock futures, the realized profit or loss is recognized in the Profit and Loss Account. On settlement or squaring-up of equity index / stock options before expiry, the premium prevailing in “Equity Index/Stock Option Premium Account” on that date is recognized in the Profit and Loss Account. When more than one contract in respect of the relevant series of equity index / stock futures or equity index/stock options contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using the weighted average cost method for calculating the profit/loss on squaring-up.

(d) As at the balance sheet date, the mark to market / Unrealized Profit / (Loss) on all outstanding hedged transactions comprising of Securities and Equity Derivatives positions is determined on a Portfolio basis with net unrealized losses being recognized in the Profit and Loss Account. Unrealized gains (on overall portfolio basis) are not recognized in the Profit and Loss Account on grounds of prudence as enunciated in Accounting Standard - 1, Disclosure of Accounting Policies. In respect of other transactions, the unrealized losses on equity derivatives determined on script basis are recognized in Profit and Loss account and unrealized gains are ignored; and in case of securities (shares, etc.) the net unrealized losses are recognized in Profit & Loss account and net unrealized gains are ignored.

vii). In respect of other heads of income, income from depository operations etc., the Company accounts the same on accrual basis.

viii). Account opening charges are recognized on accrual basis.

ix) Dividend Income is accounted for as income when the right to receive the dividend is established

x) Other income is recognised on accrual basis

xi) Interest income on loans given to various parties is recognized on accrual basis

k. Stock-in-Trade

The securities held as stock-in-trade are valued at lower of weighted average cost or market value.

l. Foreign currency translation

Foreign Exchange transactions are recorded at the closing rate prevailing on dates of the transactions . Exchange differences arising on Foreign exchange transactions settled during the year is recognized in the Statement of Proift & Loss .

Monetary assets & liabilities denominated in foreign currencies are converted at the closing rates as on Balancesheet date. The resultant exchange difference is recognized in the Statement of Profit and Loss.

Non-Monetary assets & liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of transaction.

m. Retirement and other employee benefits

Retirement benefit in the form of Provident Fund & ESIC is a defined contribution scheme. The contributions to the Provident Fund & ESIC are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund & ESIC.

The company operates defined benefit plan for its employees, viz., gratuity The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months,as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

n. Taxes on Income:

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the reporting period.

(i) Current tax

The current charge for income tax is calculated in accordance with the regulations applicable to the company.

(ii) Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

o. Earnings Per Share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p. Provisions

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

q. Contingent liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.Contingent assets are neither recognized nor disclosed in the financial statements.

r. Cash and cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term investment with an original maturity of three months or less.

3. SHARE CAPITAL

	31-March -2014 ₹	31-March -2013 ₹
Authorized Shares:		
1,50,00,000 (P.Y.:1,50,00,000) Equity Shares of Rs.10/-each	**150,000,000**	150,000,000
Total	**150,000,000**	150,000,000
Issued :		
1,12,74,417 (P.Y.:1,12,74,417) Equity Shares of Rs.10/- each	**112,744,170**	112,744,170
TOTAL	**112,744,170**	112,744,170
Subscribed and fully paid-up shares:		
70,18,339 (P.Y.:70,18,339) Equity Shares of Rs.10/-each*	**55,666,370**	55,666,370
TOTAL	**55,666,370**	55,666,370

*Keynote Trust has been consolidated. Consequently, shares held by Keynote Trust in Keynote Corporate Services Ltd (14,51,702 shares) have been eliminated while preparation of the Consolidated Financial Statements .

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

Equity Shares

	31-March -2014		31-March -2013	
	Quantity	₹	Quantity	₹
At the beginning of the year	**5,566,637**	**55,666,370**	5,566,637	55,666,370
Issued during the year	–	–	–	–
Bought back during the year	–	–	–	–
Outstanding at the end of the year	**5,566,637**	**55,666,370**	5,566,637	55,666,370

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares 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 2014, the amount of per share dividend recognized as distributions to equity shareholders is Rs.1.00 (P.Y.: Rs.1.50 per share).

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

2.2 Following are the companies whose accounts have been considered for the Consolidated Financial Statements.

	31-March -2014			**31-March -2013**	
Name of the Subsidiary	**No of Shares**	**% of Holdings**	**Date of Becoming Subsidiary**	**No of Shares**	**% of Holdings**
Keynote Capitals Ltd	11,266,667	100%	Since Incorporation	11,266,667	100%
Keynote Commodities Ltd	350,000	100%	25th August 2008	350,000	100%
Keynote Fincorp Ltd	3,500,000	100%	27th February 2012	500,000	100%
Keynote Trust		100%	4th May 2007		100%

c. Details of shareholders holding more than 5% shares in the company

	31-March -2014		31-March -2013	
	Quantity	% holding	Quantity	% holding
Equity shares of Rs.10 each fully paid				
i) NSS Digital Media Ltd	**2,932,256**	**52.68**	2,910,226	52.28
ii) India Max Investment Fund Limited	**561,348**	**10.08**	561,348	10.08

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. RESERVES AND SURPLUS

	31-March -2014 ₹	31-March -2013 ₹
Stautory reserve*		
Opening Balance	**300,210**	-
Add: Transfer during the year	**698,551**	300,210
Closing Balance	**998,761**	300,210

* Created by Keynote Fincorp Ltd. (subsidiary) as required under Section 45IC of the Reserve Bank of India Act, 1934

Securities premium reserve		
Opening Balance	**230,648,293**	230,648,293
Closing Balance	**230,648,293**	230,648,293
General reserve		
Opening Balance	**11,328,928**	8,759,540
Add: Transferred during the year	**2,062,751**	2,569,382
Closing Balance	**13,391,679**	11,328,922
Surplus in the statement of profit and loss		
Opening Balance	**293,826,868**	257,946,418
Profit for the Year	**30,181,427**	48,889,148
Less:Appropriations:		
Transfer to Statutory reserve	**698,551**	300,210
Proposed final equity dividend (amount per share Re.1(P.Y.: Rs.1.50))	**7,018,339**	10,527,509
Tax on proposed equity dividend	**1,192,767**	1,789,150
Add: Dividend adjustment on account of consolidation of trust	**(1,451,702)**	(2,177,553)
Transfer to general reserve	**2,062,751**	2,569,382
Total appropriations	**9,520,706**	13,008,698
Net surplus in the statement of profit and loss	**314,487,589**	293,826,868
TOTAL	**559,526,322**	536,104,293

5. LONG-TERM BORROWINGS

	31-March -2014 ₹	31-March -2013 ₹
Secured		
Vehicle Loans	**3,784,887**	3,128,640
(Above vehicle loans are secured by hypothecation of Motor car)		
TOTAL	**3,784,887**	**3,128,640**

6. DEFERRED TAX LIABILITY (NET)

	31-March -2014 ₹	31-March -2013 ₹
Deferred tax liability		
Fixed Assets	**9,165,718**	6,905,539
	9,165,718	6,905,539
Deferred tax Asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis	**1,870,587**	2,487,540
	1,870,587	2,487,540
TOTAL	**7,295,131**	4,417,999

7. LONG TERM PROVISIONS

	31-March -2014 ₹	31-March -2013 ₹
Provision for employee benefits		
Provision for leave benefits	**252,040**	260,537
TOTAL	**252,040**	260,537

8. SHORT TERM BORROWINGS

	31-March -2014 ₹	31-March -2013 ₹
Unsecured		
Loans & Advances		
From Others	**14,194,322**	257,000,000
Bank Overdraft	**78,679,553**	54,451,988
Secured		
From Financial Institution IL & FS Financial Services Ltd.	–	20,700,000
(Secured against pledge of stock of shares)		
TOTAL	**92,873,875**	332,151,988

9. TRADE PAYABLES

	31-March -2014 ₹	31-March -2013 ₹
Trade payables (including acceptances)	**174,491,136**	312,224,594
TOTAL	**174,491,136**	312,224,594

10. OTHER CURRENT LIABILITIES

	31-March -2014 ₹	31-March -2013 ₹
Other liabilities		
Current maturities of long-term borrowings	**1,798,014**	1,376,804
Advance from customers	**4,301,000**	4,678,000
Unpaid dividend	**1,021,927**	825,412
Interest free Security deposits	**300,000**	300,000
Deposit / Advance From Clients/ Parties	**289,830,479**	47,034,245
Interest Accrued but not due	**8,850**	8,212,306
Service tax accrued but not received	–	2,885
Other Payables	**7,553,424**	46,420,381
Cost of Subscription	**165,552**	1,947,682
Premium Received on Exchange Traded Options	–	462,398
MCX & NCDEX (Commodities)A/c	–	662,665
Provision for Bonus	**2,206,343**	4,782,560
Transaction Charges	–	159,709
Statutory Dues payable	**1,394,739**	7,295,959
TOTAL	**308,580,328**	124,161,006

11. SHORT TERM PROVISIONS

	31-March -2014 ₹	31-March -2013 ₹
Provision for employee benefits		
Provision for Gratuity	**5,257,034**	3,818,292
Provision for Leave Benefits	**220,870**	322,682
	5,477,904	**4,140,974**
Other provisions		
Provision for taxation	–	6,347,787
Provision Against Standard Assets	**781,662**	880,250
Proposed equity dividend	**7,018,339**	10,527,509
Less: Dividend adjustment on a/c of consolidation of trust	**(1,451,702)**	(2,177,553)
Provision for tax on proposed equity dividend	**1,192,767**	1,789,150
Provision for Expenses	**102,973**	–
Provision for Loss on Closing Stock.	**850,602**	–
	8,494,641	17,367,143
TOTAL	**13,972,545**	**21,508,117**

12. FIXED ASSETS

Sr. No.	Description	Rate Of Dep. (SLM)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			As at 01.04.2013	Additions During the Year	Deductions / Adjustments	As at 31.03.2014	Upto 01.04.2013	Provided During the Year	Deductions / Adjustments	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
1	Premises	1.63%	177,691,939	–	250,000	**177,441,939**	2,793,220	2,888,374		**5,681,594**	**171,760,345**	174,898,719
2	Motor Cars	9.50%	19,191,286	3,770,970	1,745,347	**21,216,909**	7,122,942	1,897,027	1,127,390	**7,892,579**	**13,324,330**	12,068,345
3	Furniture & Fixtures	6.33%	20,623,368	193,600	5,579,876	**15,237,092**	2,755,608	1,294,078	486,368	**3,563,318**	**11,673,774**	17,867,761
4	Air conditioners	4.75%	2,028,570		–	**2,028,570**	334,844	96,357	–	**431,201**	**1,597,369**	1,693,726
5	Office Equipments	4.75%	5,051,526	318,484	2,549,158	**2,820,852**	621,459	202,273	187,959	**635,773**	**2,185,079**	4,430,067
6	Computers	16.21%	26,816,591	161,435	9,924,512	**17,053,514**	24,005,978	2,330,848	10,838,873	**15,497,953**	**1,555,561**	2,810,612
7	Electrical Fittings	4.75%	1,337,699		–	**1,337,699**	61,277	63,541	–	**124,818**	**1,212,881**	1,276,422
	Total -A		**252,740,979**	**4,444,489**	**20,048,893**	**237,136,575**	**37,695,328**	**8,772,498**	**12,640,590**	**33,827,237**	**203,309,339**	**215,045,651**
	Intangible Assets:											
1	Computer Software	20%	3,491,250	–	–	**3,491,250**	2,094,750	698,250	–	**2,793,000**	**698,250**	1,396,500
2	Stock Exchange Membership Card		35,957,108	–	–	**35,957,108**	–	–	–	**–**	**35,957,108**	35,957,108
3	OTCEI Membership		2,200,000	–	–	**2,200,000**	–	–	–	**–**	**2,200,000**	2,200,000
	Total -B		**41,648,358**	**–**	**–**	**41,648,358**	**2,094,750**	**698,250**	**–**	**2,793,000**	**38,855,358**	**39,553,608**
	TOTAL (A+B)		**294,389,337**	**4,444,489**	**20,048,893**	**278,784,933**	**39,790,078**	**9,470,748**	**12,640,590**	**36,620,237**	**242,164,697**	**254,599,260**
	Previous Year		90,320,532	204,068,804	–	**294,389,336**	30,186,625	9,603,452	–	**39,790,077**	**254,599,259**	

13. NON- CURRENT INVESTMENT

Particulars	31-March -2014 ₹	31-March -2013 ₹
Aggregate amount of quoted investments	**4,107,511**	1,290,611
Market Value of quoted investments	**41,690,623**	53,253,254
Aggregate amount of unquoted investments	**3,295,548**	5,526,798

B. Details of Other Investments

Sr. No.	Particulars	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount in Rupees		Basis of Valuation #
			31- March-2014	31- March-2013			**31- March-2014**	31- March-2013	**31- March-2014**	31- March-2013	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a)	**Investment in Property**								**700,000**	700,000	Cost
	Less: Accumulated Depreciation on Property								**261,492**	261,492	
	Net							**Total (A)**	**438,508**	438,508	
(b)	**Investments in Debentures or Bonds**										
1	SBI Bond								**370,000**	366,225	
								Total-(B)	**370,000**	366,225	
(c)	**Investment in Equity Instruments**										
1	Equity Shares of Rs.10 each of Indo Count India Limited	Others	**9,900**	9,900	Quoted	Fully paid	Not Applicable	Not Applicable	**212,355**	212,355	Cost
2	Equity Shares of Rs.10 each of Coromandal Engineering Co Ltd	Others	**1,000**	1,255	Quoted	Fully paid	Not Applicable	Not Applicable	**402,000**	25,100	Cost
3	Equity Shares of Rs.2 each of Scana Point Ltd	Others	**400**	400	Quoted	Fully paid	Not Applicable	Not Applicable	**1,156**	1,156	Cost
4	Mitcon Consultancy & Eng Services Ltd-Shares	Others	**40,000**	-	Quoted	Fully paid	Not Applicable	Not Applicable	**2,440,000**	-	Cost
5	Equity Shares of Rs.10 each of Olympia Industries Ltd	Others	**88,300**	88,300	Quoted	Fully paid	Not Applicable	Not Applicable	**794,700**	794,700	Cost
6	Equity Shares of Rs.1each of Bombay Stock Exchange Ltd	Others	**13,158**	13,158	Unquoted	Fully paid	Not Applicable	Not Applicable	**13,158**	13,158	
7	Equity Shares of Rs.10 each of Aptech Ltd	Others	**3,320**	46,440	Quoted	Fully paid	Not Applicable	Not Applicable	**257,300**	257,300	Cost less provision for dimunition in value of investment
8	Equity Shares of Rs.10 each of Dugar Finance Ltd	Others	**700**	700	Unquoted	Fully paid	Not Applicable	Not Applicable	**2,870**	2,870	Cost
9	Equity Shares of Rs.10 each of Dugar Housing Ltd	Others	**800**	800	Unquoted	Fully paid	Not Applicable	Not Applicable	**9,520**	9,520	Cost
10	Equity Shares of Rs.3 each of Stella Exports Ltd	Others	**10,000**	10,000	Unquoted	Fully paid	Not Applicable	Not Applicable	**30,000**	30,000	Cost
11	Share Warrents-Greycells Education Ltd	Others	**–**	–	Unquoted	Fully paid	Not Applicable	Not Applicable	**–**	2,231,250	Cost
12	Equity Shares of Rs.10 each of Eagleeye Research & Media Pvt Ltd	Others	**9,600**	9,600	Unquoted	Fully paid	22%	14%	**3,240,000**	3,240,000	Cost
								Total (B)	**7,403,059**	6,817,409	
								Total (A+B)	**8,211,567**	7,622,142	

14. LONG TERM LOAN & ADVANCES

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good		
Security deposit	**13,607,883**	11,532,883
Deposit for Office Premises	**244,400**	4,711,400
Deposit with Corporates	**112,262,945**	20,636,246
Deposit with Co-op Societies	**25,000**	75,000
Advance tax	**3,828,152**	–
Loans to employees	**49,356**	132,556
TOTAL	**130,017,736**	37,088,085

15. OTHER NON-CURRENT ASSETS

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good		
Others Receivable	–	408,495
TOTAL	**–**	408,495

NOTE 16 CURRENT INVESTMENT

Particulars	31-March -2014 ₹	31-March -2013 ₹
Aggregate amount of quoted investments	–	–
Market Value of quoted investments	–	–
Aggregate amount of unquoted investments	**1,032,630**	41,406

DETAILS OF CURRENT INVESTMENTS

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount in Rupees		Basis of Valuation
					31- March-2014	31- March-2013	**31- March-2014**	31- March-2013	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(a)	Investments in Mutual Funds								
1	Investment in HDFC Mutual Fund	Others	Unquoted	Fully Paid	Not Applicable	Not Applicable	**1,032,630**	–	
2	Investment in Gold	Others	Unquoted	Fully Paid	Not Applicable	Not Applicable	–	41,406	
Total							**1,032,630**	**41,406**	

NOTE-17

INVENTORIES	**As at 31st March, 2014**		As at 31st March, 2013	
Equity Shares(Quoted)	**Quantity**	₹	Quantity	₹
Mitcon Enggineering & Consultancy Ltd	**62,000**	**3,394,600**	–	–
Pioneer Embroideries Ltd	**87**	**731**	–	–
Sanco Industries Ltd	**120,000**	**1,963,200**	–	–
Shiping Corporation of India Ltd	**300**	**10,065**	–	–
Tata Consultancy Services Ltd	**18**	**26,326**	–	–
Goldman Sachs Liquid Exchange Traded Scheme	**1**	**1,037**	1	1,037
Swelect Energy Systems Limited	**2**	**632**	2	270
Amar Remedies Ltd	**5,000**	**72,450**	–	–
Elpro International Ltd	**18,750**	**5,906,250**	–	–
Cholamandalam Finance Ltd	**4,410**	**816,071**	–	–
Navin Flourine Ltd	**10**	**2,135**	–	–
Man Industries Ltd	**9,392**	**546,896**	2,349	33,708
Greycells EducationLtd.	**–**	**–**	–	–
Equity Shares(Unquoted)				
Zenith Global Consultants Ltd.	–	–	36,875	479,375
Mutual Fund (Quoted)				
Closing Stock		**20,898,544**		50,823,442
Total		**33,638,937**		**51,337,832**

18. TRADE RECEIVABLES

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	**40,215,797**	4,903,640
Others	**38,454,327**	94,344,458
TOTAL	**78,670,124**	99,248,098

19. CASH AND BANK BALANCES

	31-March -2014 ₹	31-March -2013 ₹
Cash and cash equivalents		
Balances with banks:		
- On current accounts	**114,823,258**	253,062,559
- Fixed Deposits with original maturity of less than three months	**410,672**	382,196
On Unpaid dividend account	**1,021,645**	825,531
Cash on hand	**1,835,258**	1,840,980
	118,090,833	256,111,266
Other bank balances:		
Fixed Deposits with original maturity for more than 3 months but less than 12 months	**181,449,652**	1,500,000
Fixed Deposits with original maturity for more than 12 months	**29,095,384**	239,091,103
	210,545,036	240,591,103
TOTAL	**328,635,869**	496,702,369

20. SHORT-TERM LOANS & ADVANCES

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good		
Security deposit	1,005,050	1,000,000
Intercorporate Deposits/loans/advances		
To related parties	**50,000,000**	19,887,857
To others	**318,164,492**	362,100,000
Advances recoverable in cash or in kind	**3,904,377**	22,646,876
Prepaid expenses	**1,148,350**	1,876,266
Loans to employees	**1,038,601**	1,635,855
Purchase of Financial Assets	**11,350,080**	11,315,100
Service tax Credit	**1,583,454**	3,031,046
Mark to Market On Derivatives	–	445,750
TOTAL	**388,194,404**	423,938,750

21. OTHER CURRENT ASSETS

	31-March -2014 ₹	31-March -2013 ₹
Unsecured, considered good unless stated otherwise		
Others		
Interest accrued on fixed deposits/loans	**4,835,055**	17,595,493
TOTAL	**4,835,055**	17,595,493

22. REVENUE FROM OPERATIONS

	31-March -2014 ₹	31-March -2013 ₹
Revenue from operations		
Income from Advisory Services	**79,995,948**	106,352,462
Income from Brokerge and related activity	**61,442,121**	134,970,520
Interest from Loans	**24,623,794**	27,733,913
Depository Income	**933,735**	2,715,315
Profit on Future and Options Trading	–	13,822,507
Account Opening Charges	**142,224**	127,854
M2M Proprietory Income	**34,153**	47,825
Other operating revenue		
Other	**1,176,461**	2,962,409
TOTAL	**168,348,436**	288,732,805

23. OTHER INCOME

	31-March -2014 ₹	31-March -2013 ₹
Interest income on		
Bank deposits	**19,964,244**	20,740,291
Interest on NHAI Bond	–	844,274
Interest on Intercorporate Deposit	**5,615,287**	7,785,309
Dividend income on		
Current investments	**2,825,881**	12,753,444
Profit on Sale of Investment	**6,708,580**	2,866,325
Consultancy Income	–	642,761
Other non-operating income	**1,874,546**	2,226,577
Profit on Sale of Assets	**11,503,561**	–
TOTAL	**48,492,099**	47,858,981

24. EMPLOYEE BENEFIT EXPENSES

	31-March -2014 ₹	31-March -2013 ₹
Salaries, wages and bonus	**57,461,566**	111,035,075
Contribution to provident and other fund	**4,153,805**	5,622,654
Gratuity expenses	**2,298,048**	1,306,732
Staff Welfare expenses	**1,955,801**	2,881,178
TOTAL	**65,869,220**	120,845,639

25. OTHER EXPENSES

	31-March -2014 ₹	31-March -2013 ₹
Power and fuel	**1,293,065**	3,453,208
Business Promotion Expenses	**3,031,784**	3,653,322
Motor Car Expenses	**2,192,387**	1,786,407
Foreigh exchange loss (net)	**20,349**	594,666
Rent (Refer note 30)	**2,804,962**	8,829,150
Rates and taxes	**124,111**	279,822
Insurance	**714,872**	789,866
Interest on Delayed payament of Tds	**740,870**	–
Interest on Delayed payament of Service Tax	**265,093**	–
Investment Written Off	**2,231,250**	–
Prior Period expenses	–	136,000
Repairs and maintenance - Others	**4,855,213**	7,956,833
Advertising and Sales promotion	**2,617,889**	217,674
Travelling and conveyance	**5,757,740**	7,763,422
Communication costs/Telephone	**2,352,792**	5,970,509
Printing & stationery	**466,408**	1,584,495
Legal and professioanl fees	**15,878,567**	9,024,162
Postage, Courier & Telegraphs	**256,634**	592,786
Loss from dealing in securities	**6,977,855**	–
Auditor's Remuneration (refer note 28)	**1,359,832**	1,375,696
Provision for contingencies on Standard Assets	**(98,588)**	674,000
Subscription & Registration fees	**3,079,674**	2,621,222
Preliminary Expenses W/off	–	109,950
Goodwill W/off	–	307,652
Bad debts & Balances written off	**4,124,071**	3,071,664
Brokerage Refund	**1,121,879**	6,280,557
Office Establishemnt Expenses	**3,587,247**	2,664,907
Securities Transaction Tax	**2,586,051**	4,000,731
Stock Exchange Related expenses	**804,168**	4,621,576
Stamp Duty & Stamp Expenses	**1,121,631**	3,313,709
Loss on Valuation of Closing Stock	**821,892**	28,711
Loss on Sale of Shares	–	5,752,173
Loss on Sale of Assets	**246,863**	–
Miscellaneous expenses	**4,880,586**	4,052,051
TOTAL	**76,217,147**	91,506,921

26. FINANCE COST

	31-March -2014 ₹	31-March -2013 ₹
Interest on Borrowings	**18,909,758**	43,591,309
Interest on income tax	–	385,005
Other Interest	**2,715,078**	2,277,679
TOTAL	**21,624,836**	46,253,993

27. EARNINGS PER SHARE (EPS)

	31-March -2014 ₹	31-March -2013 ₹
Profit after Tax (Rs.)	**30,181,427**	48,889,148
Weighted average number of equity shares (Nos.)	**5,566,637**	5,566,637
Basic/Diluted EPS as on 31st March 2014 (Rs.)	**5.42**	8.78

Note:

Keynote Trust has been consolidated. Consequently, shares held by Keynote Trust in Keynote Corporate Services Ltd (14,51,702 shares) have been eliminated while computing the EPS.

28. PAYMENT TO AUDITOR

	31-March -2014 ₹	31-March -2013 ₹
As auditor:		
Audit fees	**1,095,000**	970,000
Tax audit fees	**100,000**	100,000
In other capacity		
Other services	**150,000**	255,000
Reimbursement of expenses	**17,444**	15,864
	1,362,444	1,340,864
Add: Service tax	**168,398**	165,731
Total	**1,530,842**	1,506,595

29. GRATUITY AND OTHER BENEFIT PLANS

a) Gratuity:

Retirement Benefits in the form of Gratuity for the eligible employees are considered as Defined Benefit Plan. The company has implemented Group Gratuity Assurance Scheme of Life Insurance Corporation of India dated 5th July 2005 which is effective from 1st June 2005 and has paid Rs.6,86,749/-as a total contribution during the year. (P.Y.11,45,917/-)

I. ASSUMPTION

	31-March -2014	31-March -2013
Discount Rate (current)	**9.14%**	8.00%
Rate of Retrun on plan assets (current)	**8.70%**	8.70%
Salary Escalation (current)	**10.00%**	10.00%
Attrition rate (current)	**13.00%**	13.00%

II. TABLE SHOWING CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:

Present value of benefit obligation as at the beginning of the Current period	**13,380,109**	11,689,588
Interest Cost	**1,070,408**	993,615
Current Service Cost	**1,813,731**	2,005,612
(Benefit paid)	**(6,209,113)**	(371,674)
Acturial (gains)/losses on obligations	**(330,234)**	(937,032)
Present value of benefit obligation as at the end of the Current period	**9,724,901**	13,380,109

III. TABLE OF FAIR VALUE OF PLAN ASSETS:

Fair value of plan assets at the beginning of the period	**9,561,157**	8,032,078
Expected return on plan assets	**831,820**	690,759
Contributions	**686,749**	1,145,917
Transfer from other company (Transfer to other company) (Benefit paid)	**(6,209,113)**	(371,674)
Acturial (gains)/losses on plan assets	**(402,746)**	64,737
Fair value of plan assets at the end of the period	**4,467,867**	9,561,157

IV. TABLE OF RECOGNITION OF ACTURIAL GAINS/LOSSES:

Acturial (gains)/losses on obligation for the period	**(330,234)**	(937,032)
Acturial (gains)/losses on asset for the period	**402,746**	(64,737)
Subtotal	**3,559,602**	(1,001,769)
Acturial (gains)/losses recognized in income & expenses statement	**72,512**	(1,001,769)

V. ACTUAL RETURN ON PLAN ASSETS:

Expected return on plan assets	**831,820**	690,759
Acturial (gains)/losses on plan asset	**(402,746)**	64,737
Actual return on plan assets	**429,074**	755,496

VI. AMOUNT RECOGNIZED IN THE BALANCE SHEET:

Fair value of plan assets at the end of the period	**4,467,867**	9,561,157
(Present value of benefit obligation as at the end of the period)	**(9,724,901)**	(13,380,109)
Funded status	**(5,257,034)**	(3,818,292)
Unrecognized past service cost at the end of the period		
Unrecognized transitional liability at the end of the period		
Net(liability)/ assets recognized in the balance sheet	**(5,257,034)**	(3,818,292)

VII. EXPENSES RECOGNIZED IN THE INCOME STATEMENT:

Current Service Cost	**987,917**	2,005,612
Interest Cost	**1,070,408**	993,615
(Expected return on plan assets)	**(831,820)**	(690,759)
Acturial (gains)/losses	**72,512**	(1,001,769)
Past service cost (non vested benefit) Recognized during the period		
Past service cost (vested benefit) Recognized during the period		
Transitional liability recognized during the period		
Expenses recognized in p&l	**2,124,831**	1,306,699

VIII. BALANCESHEET RECONCILIATION:

Opening net liability	**3,818,952**	3,657,510
Expenses as above	**2,124,831**	1,306,699
Net transfer in (Net transfer Out) (Employer's contribution)	**(686,749)**	(1,145,917)
Net liability / (assets) recognized in the balance sheet	**5,257,034**	3,818,292

IX. OTHER DETAILS:

No.of members	**56**	223
Salary pm	**2,345,946**	5,449,807
Prescribed contribution for next year (12 months)	**2,345,946**	5,395,613

X. CATEGORY OF ASSETS:

Government of india assets		
Corporate bonds		
Special Deposit scheme		
Equity shares of listed companies property		
Insurer managed funds	**4,467,867**	9,561,157
Other		
Total	**4,467,867**	9,561,157

XI. EXPERIENCE ADJUSTMENT:

	31- March- 2014	31- March- 2013	31- March- 2012	31- March- 2011	31- March- 2010
Present value of benefit obligation	**9,724,901**	13,380,109	11,689,588	8,785,136	7,203,232
Fair value of plan assets	**4,467,867**	9,561,157	8,032,078	6,140,933	5,110,849
Surplus / (Deficit)	**(5,257,034)**	(3,818,952)	(3,657,510)	(2,644,203)	(2,092,383)
Experience adjustment on plan liability (gains)/losses	**290,586**	(1,302,109)	(729,151)	(217,650)	*
Experience adjustment on plan assets (losses)/gains	**(402,746)**	64,737	322,777	756,117	*

1. Disclosures of plan assets

The company has group plan with LIC of India and has not been provided with the details of the planned assets. As a result, no disclosure for the same has been made.

(b) Compensated Absences:

As per the Company's Policy, a sum of Rs. 8,20,716/- (P.Y. Rs. 10,04,387/-) has been paid towards compensated absences; calculated on the basis of unutilised leave. During the year Company has provided to the extent of Rs.4,72,910/- (P.Y. Rs.3,09,789/-) as per actuarial valuation done by independent actuary.

B. Defined Contribution Plans

Company's Contribution Paid / Payable during the year to Provident fund and ESIC Contribution are recognized as an Expense:

	Particulars	31-March- 2014	31-March-2013
1)	Contribution to Employees Provident Fund	**3,958,951**	4,988,119
2)	Employees State Insurance Scheme	**194,854**	634,535

30. LEASES

Operating lease: Company as lessee

The aggregate lease rentals in respect of Operating Leases for the period charged as lease rentals in the Statement of Profit and Loss aggregate to Rs.2,804,962 (P.Y. Rs. 8,829,150).

Operating lease commitment - Company as lessor

The Company has received Rs.14,49,992/- on account of lease of a premises

The Future Minimum Lease Receivable under non cancellable operating leases are as under:

	Particulars	31-March- 2014	31- March-2013
1)	Not later than one year	**NIL**	1,449,992
2)	Later than one year and not later than five year	**NIL**	NIL
3)	Later than five year	**NIL**	NIL

Disclosure in respect of the gross carrying amount and accumulated depreciation of the asset given on lease has been stated in the financial statements.

31. SEGMENT INFORMATION

SEGMENT REPORTING

RUPEES

	Merchant Banking		Broking & Related Activities		Trading in Securities		Financing Activities		Unallocated		Elimination		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
External Revenue	**81,172,409**	107,144,713	**62,552,233**	139,983,848	**(6,977,855)**	12,841,414	**24,623,794**	27,733,913	**25,090,122**	22,146,116	**2,177,555**		**184,283,148**	309,850,004
Inter Segment Revenue	**–**		**–**		**–**		**–**		**–**		**–**		**–**	–
Total Revenue	**81,172,409**	**107,144,713**	**62,552,233**	**139,983,848**	**(6,977,855)**	**12,841,414**	**24,623,794**	**27,733,913**	**25,090,122**	**22,146,116**	**2,177,555**	**–**	**184,283,148**	**309,850,004**
RESULT														
Segment Result	**12,251,204**	48,486,383	**1,404,126**	19,595,717	**(12,134,523)**	9,897,025	**9,778,651**	(6,984,399)	**17,680,324**	(20,934,778)			**28,979,784**	50,059,948
Un-allocated expenses													**–**	1,482,434
Operating profit													**28,979,784**	48,577,515
Interest Expenses													**10,900,731**	9,565,608
Interest Income													**25,579,531**	29,369,874
Income Tax													**13,477,157**	19,492,633
Net Profit													**30,181,427**	**48,889,148**
Other Information														
Segment Assets	**213,840,075**	257,784,353	**549,432,258**	607,784,628	**31,168,109**	60,037,832	**334,740,221**	397,542,935	**86,220,361**	417,209,900	**1,041,611**	(405,188,088)	**1,216,442,635**	1,335,171,560
Segment Liabilities	**17,770,522**	31,899,708	**546,135,432**	426,850,060	**850,602**	462,398	**14,975,984**	289,042,082	**21,517,405**	201,885,734	**–**	(206,738,820)	**601,249,945**	743,401,162
Capital Expenditure	**3,951,254**	101,194,448	**493,235**	102,874,357	**–**	–							**4,444,489**	204,068,805
Depreciation	**3,406,342**	2,806,119	**6,042,317**	6,775,244	**22,090**	22,090							**9,470,749**	9,603,453
Non-cash expenses other than depreciation		–		976,049		29,541				133,476			**–**	1,139,066

32. Related Party Disclosure as per Accounting Standard 18 issued by the institute of Chartered accountant of India

a) List of related parties:

A) **Key Management Personnel:**

Mr. B. Madhuprasad - Chairman

Mr. Uday S. Patil - Director

Mr. Vineet Suchanti - Managing Director

B) **Relatives of Key Management Personnel:**

Mrs. Pushpa Suchanti - Mother of Managing Director

Mrs. Rinku Suchanti - Wife of Managing Director

C) **Enterprise over which Key Management Personnel exercise Significant Influence:**

Concept Communication Ltd.

Concept Production Ltd

Nirmal Suchanti HUF

NSS Digital Media Ltd

Eagle Eye Research & Media Pvt. Ltd.

33. CONTINGENT LIABILITIES NOT PROVIDED FOR:

i) Guarantee given by the Company to the Bankers of its Subsidiary - Keynote Capitals Limited Rs.22,00,00,000 (P.Y. Rs. 31,00,00,000) towards NSE & BSE operations.

ii) Pending matters of subsidiary, Keynote Capitals Ltd. with various appellate authorities:

a) The company had filed an appeal for Assessment Year 2009-2010 before the Commissioner of income Tax (Appeals) against the total disputed liability of Rs. 24,15,840/-. The Commissioner of Income Tax (Appeals) has granted part relief to the Company and the Company has filed appeal against the balance disputed amount before Income Tax Appellate Tribunal, Mumbai.The Company has also made a part payment of Rs.7,10,000 against the said disputed amount.

b) The company had filed an appeal for Assessment Year 2010-2011 before the Income Tax Appellate Tribunal, Mumbai against the total disputed liability of Rs.7,78,617/-

c) The Company had filed an appeal for Assessment Year 2011-2012 before the Commissioner of Income Tax (Appeals), against the total disputed liability of Rs. 17,92,000/-

b) Description of the nature of transactions with the Related Parties as on 31st March, 2014:

Particulars	Name of the Related Party	Subsidiary Company		Key Management Personnel/ Relatives		Enterprise over which key Management Personnel exercise significant influence		Total	
		2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
Investment in Equity Shares	Eagle Eye Research & Media Pvt Ltd					–	800,000	–	800,000
Receiving of Services	Concept Communication Ltd					93,248	85,883	93,248	85,883
Providing of Services	Eagle Eye Research & Media Pvt Ltd					–	(58,427)	–	(58,427)
Managerial Remuneration (Net of recovery)	B.Madhuprasad			(395,597)	5,771,597			(395,597)	5,771,597
Managerial Remuneration	Vineet Suchanti			4,029,790	5,605,600			4,029,790	5,605,600
Managerial Remuneration	Uday Patil			4,029,100	3,951,720			4,029,100	3,951,720
Dividend Paid	Pushpa Suchanti			198,462	198,462			198,462	198,462
Dividend Paid	Rinku Suchanti			5,703	5,703			5,703	5,703
Dividend Paid	B.Madhuprasad			72,825	71,250			72,825	71,250
Dividend Paid	Vineet Suchanti			17,966	17,966			17,966	17,966
Dividend Paid	Nirmal Suchanti			176,471	176,471			176,471	176,471
Dividend Paid	Concept Production Ltd					362,400	362,400	362,400	362,400
Dividend Paid	NSS Digital Media Ltd					4,398,384	4,309,370	4,398,384	4,309,370
Dividend Paid	Nirmal Suchanti-HUF					423,749	423,749	423,749	423,749
Interest Received	Eagle Eye Research & Media Pvt Ltd	–	–			(125,445)	–	(125,445)	–
Interest Received	Concept Communication Ltd	–	–			(3,231,123)	(739,341)	(3,231,123)	(739,341)
Loans & advances Given	Eagle Eye Research & Media Pvt Ltd					–	487,857	–	487,857
Loans Given	Concept Communication Ltd					100,500,000	82,500,000	100,500,000	82,500,000
Loans Repaid	Concept Communication Ltd					(68,000,000)	(65,000,000)	(68,000,000)	(65,000,000)
Reimbursement of exp to Director (Net of Recovery)	Vineet Suchanti			417,482	541,795			417,482	541,795
Outstanding balance									
Loans Given	Concept Communication Ltd					50,000,000	17,500,000	50,000,000	17,500,000
Loan Given	Eagle Eye Research & Media Pvt Ltd					–	2,387,857	–	2,387,857

Figures in bracket ( ) indicates income/receipt

The Company has not made any provisions in respect of above matters which are pending before various appellate authorities and the Company has been advised by Tax consultant that there will not be any demand against the Company in respect of pending appeals before various appellate authorities,since the case of Company are supported by various High court and Supreme Court decisions.

iii) Guarantee given by the Subsidiary - Keynote Capitals Limited to Bombay Stock Exchange amounting to Rs. 75,00,000 towards BSE operations

34. Details of Scheme of amalgamation approved by the High Court

As per the scheme of amalgamation approved by the Allahabad, Bombay, and Gawahati High court vide order dated 21st December 2006, 9th March, 2007 and 19th March, 2007 respectively, 14,51,702 equity shares of Rs.10 each fully paid up is held by Keynote trust as a beneficiary of the Company. Consequently the corresponding amount is also reflected in schedule "E" Investment, as " Investment in equity shares held by Keynote Trust". Due to such cross holding the dividend of Rs.21,77,553 (Previous year Rs. 21,77,553) has been paid & received back from the trust. With respect to the Proposed Dividend of Re. 1.00 per share for March 31, 2014, the Company has adjusted its liability of proposed dividend towards shares held by the Trust (Refer Note No. 4).

35. Details of dues to micro and small enterprises as defined under the MSMED Act,2006

The Company has not received any information from suppliers or service providers regarding their status under the "Micro, Small and Medium Enterprises (Development) Act, 2006". Accoridngly, disclosure relating to amount unpaid at the year-end together with interest payable, if any, as required under the said act are not ascertainable.

36. Income and Expenditure in Foreign Currency Transaction

Particular	₹ **31- March- 2014**	₹ 31- March- 2013
Income from Advisory Services	6,011,349	63,815,745
Expenditure-Other Matters	2,141,703	3,237,984

37. Previous year figures have been regrouped and / or rearranged wherever considered necessary to confirm current year's classification.

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-	Sd/-	Sd/-
B.Madhuprasad	**Vineet Suchanti**	**Yatin Sangani**
Chairman	*Managing Director*	*Company Secretary*

Place : Mumbai
Date : May 27, 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

	31- MARCH- 2014 ₹	31- MARCH- 2014 ₹	31- MARCH- 2013 ₹	31- MARCH- 2013 ₹
CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit Before Tax and Extraordinary items		**43,658,584**		68,381,781
Net prior year Adjustments				
Adjustment For :				
Depreciation	**9,470,748**		9,603,452	
Excess Provision of Bonus written back	**(3,274,429)**		(499,793)	
Loss on Sale of Investment	–		4,500,000	
Loss on Sale of Fixed Assets	**246,863**		–	
Investment W/off	**2,231,250**		–	
Profit on Sale of Investment	**(6,708,580)**		(2,866,325)	
Profit on Sale of Assets	**(11,503,561)**			
Finance Cost	**10,912,653**		9,565,605	
Provision Against Standard Assets	**(98,588)**		674,000	
Provision Against Closing Stock	**821,892**		–	
Preliminary Expenses W/off	–		109,950	
Goodwill written off	–		307,652	
Assets written off	–		3,485	
Dividend Income	**(2,825,881)**		(12,753,444)	
Interest Income	**(25,579,531)**		(29,369,874)	
		(26,307,164)		(20,725,292)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**17,351,420**		47,656,489
ADJUSTMENT FOR :				
Trade and other receivables	**20,577,974**		73,039,697	
Short-term loans and advances	**35,744,346**		(226,155,897)	
Other current assets	**12,760,437**		(2,009,635)	
Long-term loans and advances	**(89,101,499)**		4,801,952	
Other non-current assets	**408,495**		(58,046,014)	
Stock in trade	**17,698,896**		4,051,652	
Long term provisions	**(8,497)**		(38,130)	
Short Term provisions	**1,468,616**		(1,067,908)	
Short Term Borrowings	**(239,278,113)**		69,986,128	
Trade payable	**(137,733,458)**		249,407,678	
Other Current liabilities	**187,272,542**	**(190,190,261)**	25,815,942	139,785,465
CASH FROM OPERATING ACTIVITIES		**(172,838,841)**		187,441,954
Less: Taxes paid		**(20,775,959)**		(19,522,420)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES (A)		**(193,614,800)**		167,919,534
CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Investments (including Mutual Funds)	**(530,123,648)**		(3,031,250)	
Proceeds from Sale of Investment (including Mutual Funds)	**533,020,328**		55,677,735	
Proceeds from Sale of Fixed Assets	**18,415,000**		–	
Proceeds from maturity of Fixed Deposits	**30,046,067**		–	
Interest Received	**25,579,531**		29,369,874	
Dividend Received	**2,825,881**		10,575,891	
Purchase of Fixed Assets(Net of CWIP)	**(4,194,489)**		6,430,151	
NET CASH GENERATED FROM INVESTING ACTIVITIES (B)		**75,568,670**		99,022,401
CASH FLOW FROM FINANCING ACTIVITIES:				
Dividend Paid	**(8,349,956)**		(10,527,509)	
Dividend Distribution Tax Paid	**(1,789,150)**		(1,707,825)	
Interest Paid	**(10,912,653)**		(9,180,600)	
Repayment of Long Term Borrowing	**1,077,456**		(1,376,803)	
NET CASH (USED IN) FINANCING ACTIVITIES (C)		**(19,974,303)**		(22,792,737)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**(138,020,433)**		244,149,198
CASH AND CASH EQUIVALENTS (OPENING BALANCE)		**256,111,266**		11,962,068
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)		**118,090,833**		256,111,266

Note: The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard 3 'Cash Flow Statement'.

	₹	₹
Cash and Cash Equivalents (Refer note 19)	**31-March- 2014**	31-March- 2013
Balances with Bank	**115,233,930**	253,444,755
Cash on Hand	**1,835,258**	1,840,980
Unpaid Dividend bank balances	**1,021,645**	825,531
Total	**118,090,833**	256,111,266

AS PER OUR REPORT OF EVEN DATE
FOR HARIBHAKTI & CO.
Chartered Accountants

Sd/-
Atul Gala
Partner
Membership No 048650

For and on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD.

Sd/-	Sd/-	Sd/-
B.Madhuprasad	**Vineet Suchanti**	**Yatin Sangani**
Chairman	*Managing Director*	*Company Secretary*

Place : Mumbai
Date : May 27, 2014

KEYNOTE CORPORATE SERVICES LIMITED

CIN : L67120MH1993PLC072407
Registered Office: The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028
Tel : (022) 3026 6000 Fax : (022) 3026 6088 Website : www.keynoteindia.net E-mail investors@keynoteindia.net

CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

1. Name(s) of Shareholder(s) (including joint holders, if any) : _____

2. Registered Address of the sole/First name shareholder : _____

_____

_____

3.. Registered folio No.DP ID No./Client ID No. [*Applicable to investor holding share in Dematerialized form] : _____

4.. No. of Shares held : _____

5. I/We hereby exercise my/our option to receive the documents such as Notice of Annual General Meeting, Audited Financial Statement, Balance Sheet, Profit & Loss Account, Director's Report, Auditor's Report; Explanatory Statement etc. in electronic mode pursuant to the **"Green Initiative"** by the Ministry of Corporate Affairs vide circular dated 29th April, 2011.

6. My email ID is : _____

Place : _____

Date : (Name and Signature of the Member)

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PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of Companies (Management and Administriona) Rules , 2014]

Name of the Members(s) : _____
Registered Address : _____
_____
_____

I/We, being the Member(s) of _____ shares of Keynote Corporate Services Limited hereby appoint.

1. Name : _____
   Email ID : _____
   Address : _____
   _____

   Signature : _____

   or failing her/him :

2. Name : _____
   Email ID : _____
   Address : _____
   _____

   Signature : _____

   or failing her/him :

3. Name : _____
   Email ID : _____
   Address : _____
   _____

   Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the twenty first Annual General Meeting of the Company, to be held on Tuesday, 9th September, 2014 at 10.00 a.m. at Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall Compound), Fort, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

* I wish my above proxy to vote in the manner as indicated in the below table:

	Resolution	For	Against
1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31st March, 2014		
2	Declaration of Equity Dividend for the financial year ended 31st March, 2014		
3	Re-appointment of Shri Uday S. Patil who retires by rotation.		
4	Appointment of M/s. Haribhakti & Co LLP Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.		
5	Appointment of Shri Hitesh Shah as an Independent Director		
6	Appointment of Shri Sujal Shah as an Independent Director		
7	Appointment of Shri Anish Malhotra as an Independent Director		
8	Appointment of Shri Manish Desai as an Independent Director		
9	Re-appointment of Shri Vineet Suchanti as Managing Director of the Company.		
10.	Adoption of new set of Articles of Association of the Company.		

Signed this _____ day of _____ 2014.

Affix a Re 1/- Revenue Stamp

_____
Signature of Shareholder

_____
Signature of proxy holder(s)

Note :

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not than 48 hours before the commencement of the meeting.
(2) A Proxy need not be a member of the Company.
(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
*(4) This is only optional. Please put a “X” in the appropriate column against the resolutions indicated in the Box. If you leave the “FOR or “Against” column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
(5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
(6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

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ATTENDANCE SLIP

[PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL]

I/We hereby record my/our presence at the twenty first Annual General Meeting of the Company on Tuesday 9th September, 2014 at 10.00 at Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall Compound), Fort, Mumbai – 400 001

For Physical Holding	For Electronic Form (Demat) NSDL/CDSL		No. of Shares
LF. No.	DP ID	CLIENT ID	
Name of the Member/Proxy (in Block Capitals)			

(Only members/proxies and representatives are allowed to attend the Meeting)

_____

Signature of Member/Proxy

REGISTERED-POST

If umdelivered please return to:

KEYNOTE CORPORATE SERVICES LIMITED

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400 028