KEYNOTE

Ref # Key16/Stock-Exch.Let/Sm(81) 29th July, 2016

The Manager
National Stock Exchange of India Ltd.
Listing Department
Exchange Plaza, C-1, Block – G,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Dear Sir,

Ref.: Scrip Code No. 512597
Reg.: 23rd Annual Report of the Company for the Financial Year 2015-2016

Please find enclosed herewith the Annual Report for the Financial Year 2015-2016 as required under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly approved and adopted by the members as per the provisions of the Companies Act,2013.

Please acknowledge the receipt.

Thanking you and assuring you of our best co-operation at all times.

Yours sincerely,
For **KEYNOTE CORPORATE SERVICES LIMITED**

Uday S. Patil
Director
(DIN: 00003978)

Encl: as above

Keynote Corporate Services Limited
The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net
CIN-L67120MH1993PLC072407

KEYNOTE

23rd Annual Report 2015-2016

KEYNOTE CORPORATE SERVICES LTD.

KEYNOTE CORPORATE SERVICES LIMITED
ANNUAL REPORT 2015 – 2016

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BOARD OF DIRECTORS

Shri B. Madhuprasad
Chairman

Shri Uday S. Patil
Director – Investment Banking

Shri Hitesh Shah
Director

Shri Anish Malhotra
Director

Smt. Rinku Suchanti
Director

Shri Vineet Suchanti
Managing Director

Shri Sujal Shah
Director (Upto 4th May, 2015)

Shri Manish Desai
Director

Shri Shishir Dalal
Director (Since 4th May, 2015)

BOARD COMMITTEES

Audit Committee	Stakeholders Relationship Committee
Shri Sujal Shah – Chairman (Upto 4th May, 2015) Shri Hitesh Shah – Member Shri Manish Desai – Member Shri Shishir Dalal – Chairman (Since 4th May, 2015)	Shri B. Madhuprasad – Chairman Shri Uday S. Patil – Member Shri Hitesh Shah – Member
Management Committee	**Nomination and Remuneration Committee**
Shri Vineet Suchanti – Chairman Shri B. Madhuprasad – Member Shri Uday S. Patil – Member	Shri Anish Malhotra – Chairman Shri B. Madhuprasad – Member Shri Hitesh Shah – Member Shri Manish Desai – Member

Company Secretary – Ms. Saloni Dilip Maru

REGISTERED OFFICE
Keynote Corporate Services Limited
The Ruby, 9th floor,
Senapati Bapat Marg,
Dadar (West)
Mumbai – 400 028
CIN: L67120MH1993PLC072407

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

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

AUDITORS
S M S R & Co. LLP
Chartered Accountants,
A-005, Gr. Floor, Western Edge-II,
Off Western Express Highway,
Borivali [East],
Mumbai – 400 066

Twenty-third Annual General Meeting
On Friday, 29th July, 2016 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 TWENTYTHIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF KEYNOTE CORPORATE SERVICES LIMITED WILL BE HELD ON FRIDAY, 29TH DAY OF JULY, 2016 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 Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31st March, 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2016.
3. To appoint a Director in place of Shri Vineet Suchanti, (DIN - 00004031), who retires by rotation and being eligible offers himself for reappointment.
4. To re-appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, M/s. S M S R & CO LLP Chartered Accountants, Mumbai (Firm Registration No. 110592W/W100094), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the sixth AGM of the Company (subject to ratification of their appointment at every AGM), at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

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

   Variation in terms of appointment of Shri Vineet Suchanti, (DIN - 00004031) Managing Director of the Company.

   "**RESOLVED THAT** pursuant to provision of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, applicable clauses of the Articles of Association of the Company, recommendation of Nomination & Remuneration Committee and subject to other such approvals, if any, the Company hereby approves the revision of remuneration payable to Shri. Vineet Suchanti, (DIN - 00004031) Managing Director of the Company for the remaining period of the tenure with the liberty to the Board of Directors to alter and vary the terms of appointment so as not to exceed the limits set out in Schedule V to the Companies Act, 2013 including any statutory modifications or re–enactment thereof for the time being in force or any amendments and/or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as maybe agreed between the Board and Shri. Vineet Suchanti.

   RESOLVED FURTHER THAT Shri Vineet Suchanti, Managing Director and/or Shri Uday S. Patil, Director of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."
6. To consider and if thought fit, to pass with or without modification(s), the following resolutions as an **Ordinary Resolution**:

   Variation in terms of appointment of Shri Uday S. Patil, (DIN – 00003978) Whole Time Director of the Company.

   "**RESOLVED THAT** pursuant to provision of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, read with

Schedule V to the Act, applicable clauses of the Articles of Association of the Company, recommendation of Nomination & Remuneration Committee and subject to other such approvals, if any, the Company hereby approves the revision of remuneration payable to Shri Uday S. Patil, (DIN – 00003978) Whole Time Director of the Company for the remaining period of the tenure with the liberty to the Board of Directors to alter and vary the terms of appointment so as not to exceed the limits set out in Schedule V to the Companies Act, 2013 including any statutory modifications or re – enactment thereof for the time being in force or any amendments and/or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as maybe agreed between the Board and Shri. Uday S. Patil.

RESOLVED FURTHER THAT Shri Vineet Suchanti, Managing Director and/or Shri Uday S. Patil, Director of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

7. To consider and if thought fit, to pass the following resolutions with or without modification as an **Special Resolution:**

Borrowing power under Section 180 (1)(c) of the Companies Act, 2013.

"**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the shareholders be and is hereby accorded to the Board of the Directors of the Company for borrowing money from time to time as they may think fit, any sum or sums of money not exceeding ₹ 200.00 Crores (Rupees Two Hundred Crores Only) [including the money already borrowed (if any) by the Company] on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties including stock in trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company and remaining un–discharged at any given time not to exceed the aforesaid limit.

RESOLVED FURTHER THAT Shri Vineet Suchanti, Managing Director and/or Shri Uday S. Patil, Director of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

By Order of the Board

For **Keynote Corporate Services Limited**

Sd/-

Vineet Suchanti
Managing Director
(DIN - 00004031)

Date: 26th May, 2016
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. Additional information, pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), in respect of the directors seeking appointment/ re – appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent/declaration for their appointment/re – appointment as required under the Companies Act, 2013 and the Rules thereunder.

2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 [FORTY-EIGHT] HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10 [ten] percent 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.

3) Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.

4) Members/proxies/authorised representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

5) The Register of Members and share transfer books of the Company will remain closed from Saturday 23rd July, 2016 to Friday, 29th July, 2016 (both days inclusive).

6) The dividend for the financial year 31st March, 2016, 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. 22nd July, 2016; 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 22nd July, 2016.

7) 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.

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

9) Members wishing to claim dividends, which have remained unclaimed, are requested to correspond with Registrar & Share Transfer Agent and Company Secretary, at the Company's registered office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per Section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), be transferred to the Investor Education and Protection fund constituted by the Central Government.

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 are as under:

Date of Declaration of Dividend	Dividend for the year	Proposed date for transfer to Investor Education and Protection Fund (IEPF)
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
9th September, 2014	2013 - 2014	17th October, 2021
29th September, 2015	2014 - 2015	6th November, 2022

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 on website of MCA (i.e. www.mca.gov.in) and Company (i.e. www.keynoteindia.net). Said

information for the period upto 29th September, 2015 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. During Financial Year 2015-2016 Company has transferred a sum of ₹ 1,02,890/- (Rupees One Lac Two Thousand Eight Hundred Ninety only) to Investor Education and Protection Fund (IEPF) on 29th October, 2015.

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.

10) 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.

11) 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.

12) 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.

13) 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, as substituted by Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Listing Regulations, the Company is pleased to provide members the facility to exercise their right to vote at the 23rd 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, 26th July, 2016 (10.00 a.m. IST) and will end on Thursday, 28th July, 2016 (5 .00 p.m. IST) During this period Equity Shareholders of the Company holding shares either in physical form or in dematerialized form, as on 22nd July, 2016 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently or cast vote again.

The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-voting as well as voting at the meeting through ballot.

Any person, who acquires shares of the Company, becomes a member of the company after dispatch of the Notice and holding shares as of the cut-off date may follow the same procedure as mentioned for e-Voting.

The Company has appointed an Independent Professional (Practicing Company Secretary – M/s. Uma Lodha & Co.) as Scrutinizer to conduct the E-voting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him in writing who shall countersign the same.

The results along with Scrutinizer's report shall be placed on the website (i.e. www.keynoteindia.net) 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 shareholders voting electronically are as under:

(i) The voting period begins on Tuesday, 26th July, 2016 (10.00 a.m. IST) and will end on Thursday, 28th July, 2016 (5 .00 p.m. IST) 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, 22nd July, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) 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.

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

(vi) 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.

(vii) 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 sequence number which is printed on Postal Ballot / Attendance Slip/Address Sticker, indicated in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

(ix) Members holding shares in physical form will then directly reach 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.

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

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) 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.

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

(xiv) 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.

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

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

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

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

In respect of Item No. 5

Shri. Vineet Suchanti has been with the Company since September, 1997. His terms were approved by the members in the 21st Annual General Meeting held on 9th September, 2014. The annual increment payable to Shri. Vineet Suchanti is being determined by the Board of Directors from time to time as approved by the members. With effect from 1st February, 2016, the remuneration payable to Shri. Vineet Suchanti has been revised by the Board of Directors to ₹ 3,38,704/- per month from ₹ 3,22,575/- All other terms and conditions relating to his appointment and remuneration as approved earlier by the members remain unchanged. Details of

remuneration paid during the Financial Year 2015-16 have been disclosed in the annexure to the Directors' Report and in the Corporate Governance Report.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Shri. Vineet Suchanti, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

In respect of Item No. 6

Shri. Uday S. Patil has been with the Company since March, 1994. His terms were approved by the members in the 22nd Annual General Meeting held on 29th September, 2015. The annual increment payable to Shri. Uday S. Patil is being determined by the Board of Directors from time to time as approved by the members. With effect from 1st February, 2016, the remuneration payable to Shri. Uday S. Patil has been revised by the Board of Directors to ₹ 2,99,250/- per month from ₹ 2,85,000/-. All other terms and conditions relating to his appointment and remuneration as approved earlier by the members remain unchanged. Details of remuneration paid during the Financial Year 2015-16 have been disclosed in the annexure to the Directors' Report and in the Corporate Governance Report.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Shri. Uday S. Patil, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

The Board recommends the resolution set forth in Item No. 6 for the approval of the Members.

In respect of Item No. 7

As per the provisions of Section 180 of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company in the General Meeting by a Special Resolution, borrow the monies apart from temporary loans (viz., means loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature)obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up Capital and the Free Reserves of Company, that is to say, reserves not set apart for any specific purposes. Members have already passed resolution way back in September, 1996 permitting the Company to borrow upto an amount of ₹ 200.00 Crores. The Management proposes to keep the same limit of ₹ 200.00 Crores approved earlier by Members/Shareholder. Incidentally company has very insignificant borrowing as on date.

Your consent is therefore sought, to authorize the Board to borrow upto ₹ 200.00 Crores (Rupees Two Hundred Crores Only) (apart from temporary loans obtained from the Company's bankers in the ordinary course of business as outstanding), at any time as set out in the resolution.

The members are requested to approve the same by way of passing the Special Resolution.

None of the Directors and Key Managerial Personnel of the company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

By Order of the Board

For **Keynote Corporate Services Limited**

Sd/-

Vineet Suchanti

Managing Director

(DIN - 00004031)

Date: 26th May, 2016

Place: Mumbai

ANNEXURE TO THE NOTICE

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting pursuant to Regulation 36 of the Listing Regulations:

Shri. Vineet Suchanti

A. A brief resume of the director and Nature of his expertise in specific function areas:

Shri Vineet Suchanti is the Managing Director of the Company since 5th May, 2005. He is associated with the Company since September, 1997. He is also the promoter of the Company and has provided immense contribution for development of Keynote Corporate Services Limited. Shri Vineet Suchanti is a Bachelor of Commerce from University of Mumbai and MBA in Finance and Marketing from University of Rochestor, New York. 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. 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.

B. Disclosure of relationships between directors inter-se:

Smt. Rinku Vineet Suchanti one of the Director of the Company is the spouse of Shri Vineet Suchanti. None of the other directors are related to any other director on the Board.

C. Name of the listed entities in which the person also holds the directorship and the membership of Committees of the board:

Name of the Company	Directorship	Membership of the Committees
LKP Finance Limited	Independent Director	• Chairman – Audit Committee • Member – Share Transfer Committee • Member – Stakeholder Relationship Committee • Chairman – Nomination & Remuneration Committee • Member – Corporate Social Responsibility (CSR) Committee

D. Shareholding in the Company :

11,977 Equity shares as on 31st March, 2016

DIRECTORS' REPORT

The Members of KEYNOTE CORPORATE SERVICES LIMITED

Dear Shareholder(s),

Your Directors have pleasure in presenting their 23rd Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2016.

FINANCIAL RESULTS

(₹ In lacs)

Particulars	**Year Ended 31-03-2016**	Year Ended 31-03-2015
Total Income	**997.87**	583.68
Gross Operating Profit	**525.55**	130.52
Depreciation	**44.03**	37.39
Exceptional Items	**—**	14.12
Profit Before Tax	**481.52**	79.01
Provision for :		
Current Tax	**114.95**	12.25
Deferred Tax Liability/(Assets)	**18.15**	14.67
Profit After Tax	**348.42**	52.09
Add/Less : Excess Provision/Short Provision	**0.72**	—
Profit/(Loss) brought forward from Previous year	**1,567.59**	1,597.61
Surplus available for appropriations	**1,915.29**	1,649.70
Proposed Dividend	**70.18**	70.18
Tax on Dividend	**12.14**	11.93
Transferred to General Reserve	**—**	—
Balance carried forward	**1,832.97**	1,567.59

DIVIDEND

Your directors are pleased to recommend a dividend of ₹ 1/- per Equity Share of face value of ₹ 10/- each (i.e. 10%) for the year ended 31st March, 2016. The dividend will be paid subject to approval of members at the 23rd Annual General Meeting (AGM).

OPERATIONS

The year 2015-16 witnessed a major revival in the Initial Public Offer (IPO) markets after nearly 4 dismal years. Though the year witnessed turbulent secondary market, the primary market showed signs of revival as many IPOs hit the market during the financial year. During the financial year 2015-16, 24 Main Board IPOs were launched in the primary market and significant activity was also witnessed in the IPOs on SME platforms where 50 SME IPOs were launched. The mobilization of resources through Rights issue also recorded an increase with 12 Rights issues being completed during the financial year. The enhanced equity resource raising through primary market is seen with enthusiasm by market participants and investors. Your company also witnessed major activity in these areas and has performed well as compared to the previous financial year.

Your company completed many capital market transactions during the financial year. Keynote acted as 'Financial Advisor' for a large IPO of a Company engaged in 'Fragrance & Flavours' business and also sole Lead Managed

a Main Board IPO of a Company engaged in manufacturing of dyes and dye intermediates alongwith fertilizers. Company lead managed 3 Rights issues and also completed an SME issue on NSE platform i.e. EMERGE. The Company played a major role in the capital market transactions pertaining to one of the Chinese Major who entered India by acquiring a listed Company. The Company advised the Chinese promoter for 'Offer for Sale' and also in respect of Rights issue amounting to ₹ 100 crores. Besides this, Company was also able to complete a few transactions in respect of Scheme of Arrangement, Valuation & ESOP Advisory etc. The total income during the year was ₹ 997.87 lacs, an increase of 71% as against the total income for the previous year. Consequently the PAT has reached ₹ 348.42 lacs registering substantial increase over the previous year's profit after tax. There has been a general sense of buoyancy in the capital market and company expects to bag few more mandates on IPOs & other capital market transactions.

OPERATIONS OF SUBSIDIARIES

Presently your company has two 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). KCL focuses on institutional trading & other trading activities of large and high net worth investors. KCL posted a total income of ₹ 1,033.27 lacs for 31st March, 2016 as compared to ₹ 618.41 lacs for 31st March, 2015. Profit after Tax stood at ₹ 86.19 lacs as compared to ₹ 79.17 lacs for the previous year.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

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

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company.

The financial statement of the subsidiary Companies are kept for inspection by the shareholders at the Registered Office of the Company. The company shall provide free of cost, the copy of the financial statement of its subsidiary companies to the shareholders upon their request. The statements are also available on the website of the Company i.e. www.keynoteindia.net

As stipulated by Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements). Regulations, 2015 ["Listing Regulations"] the consolidated financial statement have been prepared by the Company in accordance with the applicable Accounting standards. The audited consolidated financial statements together with Auditors Report form part of the Annual Report.

The company has formulated a policy for determining 'material' subsidiaries and such policy is disclosed on the company's Website http://www.keynoteindia.net/document-hosting/financial_results/Material_Subsidiary_Policy.pdf

TRANSFER TO RESERVES

During the year your Company has not transferred any amount to general reserve.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34 of the Listing Regulations with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

The Companies Act, 2013 and Listing Regulations 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 complaint redressal system (SCORES) enabling the investors to register their complaints if any for speedy redressal.

LISTING WITH STOCK EXCHANGES

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/KEYCORPSER and on NSE is KEYCORPSER. The Company has paid upto date listing fees to both the stock exchanges.

Further, the Securities and Exchange Board of India (SEBI) issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") on 2nd September, 2015. The Listing Regulations were effective from 1st December, 2015. Accordingly, all the listed entities were required to execute fresh listing agreement with Stock Exchanges where the shares of the Company were listed. The fresh agreement had to be executed within six months from the effective date. The Company entered into fresh Listing Agreement with BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE) on 1st December, 2015.

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 96.54% of equity capital of the company is in dematerialized mode.

PUBLIC DEPOSIT

Your Company has neither accepted nor renewed any deposit within the meaning of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 and the necessary rules made there under during the year ended 31st March, 2016.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investment have been disclosed in the notes to the financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to Managing Director. The Accounts Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and based on the report of internal audit the management undertakes corrective action in the respective areas and thereby strengthens the controls. Significant audit observations and recommendations if any, along with corrective actions thereon are required to be presented to the Audit Committee of the Board. During this financial year no such observations have been made.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company understands and values Corporate Social Responsibility (CSR) initiatives of the Government and has also noted the requirements of CSR activities in terms of Companies Act, 2013. The requirement of mandatory implementation of CSR activity is presently not applicable to your company.

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

(A) Conservation of energy:

Considering the nature of business activities carried out by the Company, your directors have nothing to report with regard to conservation of energy as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(B) Technology absorption:

The management keeps itself abreast of the technological advancements in the industry and has adopted the state of the art transaction, billing and accounting systems and also risk management solutions.

(C) Foreign exchange earnings and Outgo:

a) The foreign exchange earnings ₹ 25.85 lacs (previous year ₹ 45.17 lacs).

b) The foreign exchange expenditure ₹ 0.82 lacs (previous year ₹ 2.20 lacs).

STATE OF AFFAIRS

During the year under review, your Company enjoyed cordial relationship with employees at all levels.

DISCLOSURES UNDER SECTION 134(3) (I) OF THE COMPANIES ACT, 2013

There are no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

DIRECTOR AND KEY MANNEGERIAL PERSONNEL (KMP)

(i) Changes in Director and Key Managerial Personnel (KMP):

During the period, Ms. Shruti Jayant Deshmukh resigned from the post of Company Secretary and Compliance Officer of the Company with effect from 11th February, 2016 and Ms. Saloni Dilip Maru joined as Company Secretary and Compliance Officer of the Company with effect from 25th February, 2016.

(ii) Retirement by rotation:

As per the provisions of Section 152 of the Companies Act, 2013, Shri Vineet Suchanti (DIN:00004031) retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Your Directors recommend their approval.

(iii) Appointment of Independent Director

At the 22nd Annual General Meeting (AGM) of the Company held on 29th September, 2015, Shri Shishir Dalal (DIN: 00007008) was appointed as an Independent Director of the Company.

DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued there under as well as Regulation 25 of the Listing Regulations.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under Listing Regulations. Listing Regulations mandates that the Board shall monitor and review the Board evaluation framework.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members

on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued there under and Regulation 19 of the Listing Regulations the Board of Directors at their meeting held on 7th August, 2014 formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters have been outlined in the Corporate Governance Report which forms part of this Report.

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in **"Annexure [A]"** to this Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

(a) In the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) They have prepared the annual accounts on a going concern basis;

(e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS

M/s. Haribhakti & Co. LLP, Chartered Accountants, retired as Statutory Auditors of the Company after conclusion of 22nd Annual General Meeting (AGM) dated 29th September, 2015 as they were not seeking re-appointment. With this retirement, vacancy was caused and appointment of Statutory Auditors was required to be approved by the shareholders. The Company had received consent from M/s. NMAH & Company (Firm Registration No. 135966W) for appointment of Statutory Auditors subject to shareholders approval. Accordingly the matter of appointment of M/s. NMAH & Co., Chartered Accountants, Mumbai (Firm Registration No. 135966W) as Statutory Auditors to hold office from the conclusion of 22nd Annual General Meeting, until the conclusion of sixth Annual General Meeting to be held after that meeting, subject to ratification at every Annual General Meeting (AGM) was approved by the members.

However, later on M/s. NMAH & Co. Chartered Accountants, Mumbai, tendered their resignation on account of technical reasons at their end vide their letter dated 23rd October, 2015 from the position of the Statutory Auditors of the Company.

The Company received consent from M/s. S M S R & CO LLP Chartered Accountants, Mumbai (Firm Registration No. 110592W/W100094) willing to act as a Statutory Auditor of the Company to fill-up the Casual Vacancy caused by the resignation of M/s. NMAH & Co. Chartered Accountants. As per the recommendation of the Audit Committee, the Board proposed and recommended that M/s. S M S R & CO LLP Chartered Accountants, Mumbai (Firm Registration No. 110592W/W100094) be appointed as Statutory Auditors of the Company and to hold the office till the conclusion of ensuing AGM. Accordingly, M/s. S M S R & CO LLP Chartered Accountants, conducted the Statutory Audit of the Company for the period ended 31st March, 2016.

The Casual Vacancy caused by the resignation of the erstwhile Auditors was filled by the Board subject to the approval of the members, through Circular Resolution dated 26th October, 2015 and Postal Ballot Notice dated 14th November, 2015 was sent to shareholders. Shareholders/Members approved the appointment of M/s. S M S R & CO LLP Chartered Accountants, as Statutory Auditors vide special resolution passed through Postal Ballot Notice dated 14th November, 2015 results of which were declared on 29th December, 2015.

M/s. S M S R & CO LLP Chartered Accountants, Mumbai (Firm Registration No. 110592W/W100094) are willing to act as a Statutory Auditor of the Company for the financial year 2016 – 2017. The Company has received a written consent letter No. SMSR/AAS/AB/16-17/002 dated 27th April, 2016 from them for their reappointment.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. S M S R & CO LLP Chartered Accountants, Mumbai (Firm Registration No. 110592W/W100094), the Statutory Auditors of the Company have been appointed for a term of five years. However, their appointment as Statutory Auditors of the Company shall be required to be ratified by the Members at the ensuing Annual General Meeting. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.

Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

AUDITORS' REPORT

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

EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rule, 2014, the Extract of Annual Return (Form No. MGT-9) as on the financial year ended on 31st March, 2016 is enclosed as **"Annexure – [B]"** to the Directors' Report.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/S Uma Lodha & Co., Practicing Company Secretaries to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as **"Annexure - [C]"** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND AUDIT COMMITTEES

Your Board of Directors duly met four (4) times during the financial year i.e. on 28th May, 2015, 10th August, 2015, 14th November, 2015 and 11th February, 2016 in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The Audit Committee duly met six (6) times during the financial year i.e. on 28th May, 2015, 10th August, 2015, 2nd September, 2015, 26th October, 2015, 14th November, 2015 and 11th February, 2016 in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In pursuance to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established.

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. The Vigil Mechanism Policy has been uploaded on the website of the Company at http://www.keynoteindia.net/documenthosting/financial_results/WHISTLE%20BLOWER%20POLICY.pdf

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as **"Annexure-D"**. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the Listing Regulations. This Policy was considered and approved by the Board has been uploaded on the website of the Company at http://www.keynoteindia.net/document-hosting/financial_results/Keynote_Policy%_20on%20Related%20Party%20Transactions.pdf

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website www.keynoteindia.net

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have complied compliance with the Code.

RISK MANAGEMENT

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 & Regulation 17 of Listing Regulations the Company has formulated risk management policy and the same has been placed on the company website.

http://www.keynoteindia.net/documenthosting/financial_results/Keynote_Risk%20Management%20Policy.pdf

At present the company has not identified any element of risk which may adversely affect functioning of the company.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. Said code of conduct is in line with SEBI (Prohibition of Insider Trading) Regulations, 2015 The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All the Directors and the designated employees have complied with the Code.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There is no disciplinary action taken/penalty imposed by Securities and Exchange Board of India (SEBI)/other

regulatory authority during the financial year. However, Company received a prohibitory order dated 6th April, 2016 issued by Whole Time Member (WTM), SEBI in the matter of IPO of Emmbi Industries Ltd. Though said order was not received during the period of the financial year, same was placed before the Board of Directors as the meeting of Board of Directors was scheduled on 26th May, 2016. In terms of order No. WTM/RKA/EFD/46/2016 dated 6th April, 2016, Keynote Corporate Services Ltd. (KCSL) has been prohibited from taking up new assignment as 'Merchant Banker' for the period of one month & Keynote Capitals Ltd. (KCL), a wholly owned subsidiary, has been prohibited from taking up any new assignment as 'Underwriter' for a period of one month. The order to come into effect immediately on the expiry of twenty-one days from the date of the order. The Board of Directors after detailed discussion have observed that in the normal course of business there would be such regulatory risks. However, while conducting the business intentions shall be right. They also expressed satisfaction that the company for which the IPO was managed has implemented the project and have progressed very well on the business front which has reflected in the current market price of the Company. The Company is genuine and efforts put in by Keynote entities have yielded positive results. However, precautions shall be taken to avoid repetition of such instances. All the attempts shall be made to ensure that Company is not required to defend such regulatory actions.

GENERAL DISCLOSURES

- **DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013**

  The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

- **DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013**

  The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1) (d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

- **DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013**

  The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

- **DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013**

  During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

ACKNOWLEDGMENT

We take this opportunity to express deep sense of gratitude to Members of Board of Directors of the Company, 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. S M S R & CO. LLP Statutory Auditors, M/s. R. B. Pandya & 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/-	Sd/-
Uday S. Patil	**Vineet Suchanti**
Director & CFO	Managing Director
(DIN: 00003978)	(DIN: 00004031)

Date: 26th May, 2016
Place: Mumbai

Annexure [A] to Director's Report

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Particulars of employees

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non-Executive Directors	Ratio to median remuneration
Shri Manish Desai	0.026
Shri Shishir Dalal	0.019
Shri Anish Malhotra	——
Shri Hitesh Shah	——
Smt. Rinku Suchanti	——
Shri B. Madhuprasad	1.357
Executive Directors	**Ratio to median remuneration**
Shri Vineet Suchanti	5.59
Shri Uday S.Patil	4.64

b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% Increase in remuneration in the financial year
Shri Vineet Suchanti	1.26
Shri Uday S. Patil	——
Shri Manish Desai	——
Shri Shishir Dalal	——
Shri Anish Malhotra	——
Shri Hitesh Shah	——
Smt. Rinku Suchanti	——
Shri B. Madhuprasad	——
Ms. Shruti J. Deshmukh (upto 11th February, 2016)	——
Ms. Saloni Maru (w.e.f. 25th February, 2016)	——

c. The percentage increase in the median remuneration of employees in the financial year: 65.89%

d. The number of permanent employees on the rolls of Company: 20

e. The explanation on the relationship between average increase in remuneration and Company performance:

On an average, employees received an annual increase of 8.88%. The individual increments varied from 1.26% to 19.92%, based on individual performance. Your company is committed in ensuring fair pay and healthy work environment for all its employees. Your Company offers competitive compensation to its employees. The pay also incorporates external factors like cost of living to maintain concurrence with the environment. The performance of the company improved significantly during the financial year. The Company maintained the policy of increase in remuneration based on individual performance on a yearly basis.

f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of Key Managerial Personnel (KMP) in FY16 (₹ lacs)	80.32
Revenue (₹ lacs)	997.87
Remuneration of KMPs (as % of revenue)	8.05
Profit before Tax (PBT) (₹ lacs)	481.52
Remuneration of KMP (as % of PBT)	16.68

g. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2016	March 31, 2015	% Change
Market Capitalisation (₹ lacs)	2456.42	1930.04	27.27 %
Price Earnings Ratio	7.06	37.16	(-) 80.99 %

h. Percentage increase/decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	Market price as on March 31, 2016 (₹)	Last public issue price * (₹)	% Change
Market Price (BSE)	35.00	60.00	(-) 41.67 %
Market Price (NSE)	35.85	60.00	(-) 40.25 %

* Last public issue was in December, 1995

i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 8.88%. However, during the course of the year, the total increase is approximately 19.92%, after accounting for promotions and other event based compensation revisions. The management wish to retain the well settled manpower by making annual increment irrespective of Company's financial performance. Increase in the managerial remuneration for the year was 1.26%

j. Comparison of remuneration of each key managerial personnel against the performance of the Company:

	Shri Vineet Suchanti Managing Director	Shri Uday S. Patil Whole-Time Director & Chief Financial Officer (CFO)	Ms. Shruti Deshmukh Company Secretary Upto 11th February, 2016	Ms. Saloni Maru Company Secretary w.e.f. 25th February, 2016
Remuneration in FY16 (₹ lacs)	43.23	35.91	0.80	0.39
Revenue (₹ lacs)		997.87		
Remuneration as % of Revenue	4.33	3.60	0.08	0.04
Profit before Tax (PBT) (₹ lacs)		481.52		
Remuneration (as % of PBT)	8.98	7.46	0.17	0.08

k. The key parameters for any variable component of remuneration availed by the directors: NIL

l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.

m. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

Annexure [B] to Director's Report

Extract of Annual Return as on 31st March, 2016

Form No. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rule, 2014]

I. **REGISTRAION AND OTHER DETAILS**:

i.	Corporate Identity Number (CIN)	:	L67120MH1993PLC072407
ii.	Registration Date	:	16th June, 1993
iii.	Name of the Company	:	Keynote Corporate Services Limited
iv.	Category/Sub-Category of the Company	:	Public Company limited by shares
v.	Address of the Registered office and contact details	:	The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West) Mumbai – 400 028 Tel : (022) 30266000 Fax : 022) 30266088 Email: investors@keynoteindia.net Website: www.keynoteindia.net
vi.	Whether listed Company (Yes/No)	:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s. Link Intime India Pvt. Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 Telephone No.: (022)25963838 Fax Number : (022) 25946969 Email ID: rnt.helpdesk@linkintime.co.in

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Investment Banking and Advisory Services	649	100

III. **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of Shares held	Applicable Section
1.	Keynote Capitals Limited	U67120MH1995PLC088172	Subsidiary	100	2(87)(ii)
2.	Keynote Fincorp Limited	U67120MH1995PLC084814	Subsidiary	57.14	2(87)(ii)
3.	Keynote Commodities Limited (Step-down subsidiary)	U72900MH2000PLC127047	Subsidiary of Keynote Capitals Limited	100 of Keynote Capital Limited	2(87)(ii)

IV. SHAREHOLDING PATERN (Equity Share Capital Breakup as Percentage of Total Equity)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. 1st April, 2015)				No. of Shares held at the end of the year (i.e. 31st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/HUF	651052	—	651052	9.28	651052	—	651052	9.28	—
b) Central Govt.	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corporate	3411166	—	3411166	48.60	3411166	—	3411166	48.60	—
e) Banks/FI	—	—	—	—	—	—	—	—	—
f) Any Other……	—	—	—	—	—	—	—	—	—
Sub-Total (A) (1):-	**4062218**	**---**	**4062218**	**57.88**	**4062218**	**---**	**4062218**	**57.88**	**---**
(2) **Foreign**									
a) NRIs- Individuals	—	—	—	—	—	—	—	—	—
b) Other-Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Banks/FI	—	—	—	—	—	—	—	—	—
e) Any Other….	—	—	—	—	—	—	—	—	—
Sub-total (A)(2) :-	—	—	—	—	—	—	—	—	—
Total Shareholding of Promoter (A) = (A) (1)+(A)(2)	**4062218**	**—**	**4062218**	**57.88**	**4062218**	**—**	**4062218**	**57.88**	**—**
B. Public Shareholding									
1. **Institutions**									
a) Mutual Funds	—	13900	13900	0.20	—	13900	13900	0.20	—
b) Bank/FI	300	—	300	0.00	300	—	300	0.00	—
c) Central Govt.	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIIs	561348	—	561348	8.00	561348	—	561348	8.00	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-Total (B)(1):-	**561648**	**13900**	**575548**	**8.20**	**561648**	**13900**	**575548**	**8.20**	**---**

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. 1st April, 2015)				No. of Shares held at the end of the year (i.e. 31st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. **Non-Institutions**									
a) Bodies Corp.									
i) Indian	118436	31200	149636	2.13	108397	31200	139597	1.99	(0.14)
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹.1 lakh.	324890	196086	520976	7.42	313780	194986	508766	7.45	0.03
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	245659	—	245659	3.50	245867	—	245867	3.30	(0.20)
c) Others									
i) Non-resident Indians	2066	2100	4166	0.06	2216	2100	4316	0.06	—
ii) Non Resident (Non Repatriable)	630	—	630	0.01	630	—	630	0.01	—
iii) Trust	1451702	200	1451902	20.69	1451702	200	1451902	20.69	—
iv) Hindu Undivided Family	650	500	1150	0.02	17790	500	18290	0.26	0.24
v) Clearing Member	6454	—	6454	0.09	11205	—	11205	0.16	0.07
Sub-Total (B)(2)	**2150487**	**230086**	**2380573**	**33.92**	**2151587**	**228986**	**2380573**	**33.92**	**—-**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**2712135**	**243986**	**2956121**	**42.12**	**2713235**	**242886**	**2956121**	**42.12**	—
C. Shares held by Custodian for GDRs & ADRs	—								
Promoter and Promoter Group	—	—	—	—	—	—	—	—	—
Public	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	**6774353**	**243986**	**7018339**	**100.00**	**6775453**	**242886**	**7018339**	**100.00**	—

ii) **Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 1st April, 2015			Share holding at the end of the year i.e. 31st March, 2016			
		No. of Shares	% of total Shares of the Company	% of Shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of shares pledged/ encumbered to total shares	% change in share holding during the year
1.	NSS Digital Media Limited	2932256	41.78	—	2932256	41.78	—	—
2.	Nirmal Suchanti – HUF	282499	4.03	—	282499	4.03	—	—
3.	Concept Production Limited	241600	3.44	—	241600	3.44	—	—
4.	Dhanvirdhi Tie up Pvt. Limited	184010	2.62	—	184010	2.62	—	—
5.	Pushpa Nirmal Suchanti	132308	1.89	—	132308	1.89	—	—
6.	Nirmal Suchanti	117647	1.68	—	117647	1.68	—	—
7.	Naga Accounts Management Pvt. Ltd.,	53300	0.76	—	53300	0.76	—	—
8.	Vivek Suchanti	49440	0.70	—	49440	0.70	—	—
9.	B. Madhuprasad	48550	0.69	—	48550	0.69	—	—
10.	Vineet Suchanti	11977	0.17	—	11977	0.17	—	—
11.	Rita Suchanti	4829	0.07	—	4829	0.07	—	—
12.	Rinku Suchanti	3802	0.05	—	3802	0.05	—	—
	Total	**4062218**	**57.88**	—	**4062218**	**57.88**	—	—

iii) **Change in Promoters' Shareholding (Please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1.	At the beginning of the year	There is no change in Promoters' Shareholding between 01-04-2015 to 31-03-2016			
2.	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ sweat equity etc):	There is no change in Promoters' Shareholding between 01-04-2015 to 31-03-2016			
3.	At the End of the year	There is no change in Promoters' Shareholding between 01-04-2015 to 31-03-2016			

iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
	For each of the top Ten Shareholders	No. of Shares at the beginning (01-04-2015)/ end of the year (31-03-2016)	% of total Shares of the company				No. of Shares	% of total Shares of the Company
1	Keynote Trust	1451702	20.68	01-04-2015	0	NIL Movement during the year	1451702	20.68
		1451702	20.68	31-03-2016				
2	India Max Investment Fund Ltd.,	561348	8.00	01-04-2015	0	NIL Movement during the year	561348	8.00
		561348	8.00	31-03-2016				
3	Gaurav Himatsingka	121000	1.72	01-04-2015	0	NIL Movement during the year	121000	1.72
		121000	1.72	31-03-2016				
4	Skunk Agents Private Limited	41914	0.59	01-04-2015	0	NIL Movement during the year	41914	0.59
		41914	0.59	31-03-2016				
5	Gulu Khuba Watumull	36071	0.51	01-04-2015	0	NIL Movement during the year	36071	0.51
		36071	0.51	31-03-2016				
6	Bela Properties Private Limited	35775	0.50	01-04-2015	271	Purchase	36046	0.51
		36046	0.51	31-03-2016				
7	Manoj J. Bagadia	24880	0.35	01-04-2015	0	NIL Movement during the year	24880	0.35
		24880	0.35	31-03-2016				
8	Varsha Berlia	16000	0.22	01-04-2015	0	NIL Movement during the year	16000	0.22
		16000	0.22	31-03-2016				
9	Vikash Berlia	14000	0.19	01-04-2015	0	NIL Movement during the year	14000	0.19
		14000	0.19	31-03-2016				
10	CRB Trustee Ltd A/c. CRB Mutual Fund	13900	0.19	01-04-2015	0	NIL Movement during the year	13900	0.19
		13900	0.19	31-03-2016				

v.) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
	For each of the Directors and KMP	No. of Shares at the beginning (01-04-2015)/ end of the year (31-03-2016)	% of total Shares of the company				No. of Shares	% of total Shares of the Company
	Directors:							
1.	Shri B. Madhuprasad	48550	0.69	01-04-2015	0	NIL Movement during the year		
		48550	0.69	31-03-2016			48550	0.69
2.	Shri Vineet Suchanti	11977	0.17	01-04-2015	0	NIL Movement during the year		
		11977	0.17	31-03-2016			11977	0.17
3.	Shri Uday S. Patil	2500	0.03	01-04-2015	0	NIL Movement during the year		
		2500	0.03	31-03-2016			2500	0.03
4.	Shri Hitesh Shah	0	0	01-04-2015	0	NIL holding/ Movement during the year		
		0	0	31-03-2016			0	0
5.	Shri Shishir Vasant Dalal (w.e.f. 04–05– 2015)	0	0	01-04-2015	0	NIL holding/ Movement during the year		
		0	0	31-03-2016			0	0
6.	Shri Anish Malhotra	0	0	01-04-2015	0	NIL holding/ Movement during the year		
		0	0	31-03-2016			0	0
7.	Shri Manish Desai	0	0	01-04-2015	0	NIL holding/ Movement during the year		
		0	0	31-03-2016			0	0
8.	Smt. Rinku Suchanti	3802	0.05	01-04-2015	0	NIL Movement during the year		
		3802	0.05	31-03-2016			3802	0.05
Key Managerial Personnel								
1.	Shri Uday S. Patil	2500	0.03	01-04-2015	0	NIL Movement during the year		
		2500	0.03	31-03-2016			2500	0.03
2.	Ms. Saloni Dilip Maru (w.e.f. 25 -02 – 2016)	0	0	01-04-2015	0	NIL holding/ Movement during the year	0	0
		0	0	31-03-2016			0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Amount (₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01-04-2015				
i) Principal Amount	32,74,507.22	—	3,00,000.00	35,74,507.22
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	5,250.14	—	—	5,250.14
Total (i+ii+iii)	32,79,757.36	—	3,00,000.00	35,79,575.36
Change in Indebtedness during the financial year				
+ Addition	1,319.21	—	—	1,319.21
– Reduction	15,80,332.46	—	—	15,80,332.46
Net Change	15,79,013.25	—	—	15,79,013.25
Indebtedness at the end of the financial year – 31-03-2016				
i) Principal Amount	16,94,174.76	——	3,00,000.00	19,94,174.76
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	1,319.21	—	—	1,319.21
Total (i+ii+iii)	16,95,493.97	—	3,00,000.00	19,95,493.97

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (₹)
		Shri Vineet Suchanti – Managing Director	Shri Uday S. Patil – Whole-Time Director	
1.	Gross Salary	(₹)	(₹)	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	43,22,506/-	35,91,000/-	79,13,506/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission			
	– As % of Profit	—	—	—
	– Others specify	—	—	—
5.	Others, please specify			
	Total (A)			**79,13,506/-**
	Ceiling as per the Act			1,68,00,000/-

B. **Remuneration of other Directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (₹)
		Shri Manish Desai	Shri Shishir Dalal	
1.	**Independent Directors**			
	• Fees for attending board committee meetings	20,000/-	15,000/-	35,000/-
	• Commission	Nil	Nil	Nil
	• Others	Nil	Nil	Nil
	Total (1)	20,000/-	15,000/-	35,000/-

	Particulars of Remuneration	Name of the Director	Total Amount (₹)
		Shri B. Madhuprasad	
2.	**Other Non-Executive Directors**		
	• Fees for attending board committee meetings	Nil	Nil
	• Commission	Nil	Nil
	• Others (Professional fees)	10,50,000/-*	10,50,000/-
	Total (2)	10,50,000/-	10,50,000/-

	Total B = (1+2)		10,85,000/-
	Total Managerial Remuneration		10,85,000/-
	Ceiling as per the Act	* As per Resolution passed by the Nomination & Remuneration Committee of the company.	

C. **Remuneration to Key Managerial Personnel other than MD/Manager/ WTD**

Besides Managing Director and Whole-Time Director the Key Managerial Personnel (KMP), Ms. Shruti Deshmukh, Company Secretary was paid ₹ 79,791/- (Rupees Seventy Nine Thousand Seven Hundred Ninety One only) upto 11th February, 2016 and thereafter, Ms. Saloni Maru, Company Secretary was paid ₹ 39,179/- (Rupees Thirty Nine Thousand One Hundred Seventy Nine only) since 25th February, 2016.

VII. **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	**NONE**				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	**NONE**				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	**NONE**				
Punishment					
Compounding					

Annexure [C] to Director's Report

Form MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

To

The Members of
Keynote Corporate Services Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provision and the adherence to good corporate practices by M/s. Keynote Corporate Services Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes' books, forms and returns filed and other records maintained by M/s. Keynote Corporate Services Limited for the financial year ended 31st March, 2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (regulation) Act, 1956 (SCRA) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations any Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (₹SEBI Act')

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (now known as SEBI (prohibition of Insider Trading) Regulation 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;

   (d) The Securities and Exchange Board of India (Registrars to issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(vi) Other laws specifically applicable to the Company:

· Securities Exchange Board of India (Merchant Bankers) Regulation, 1992.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

(iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. As per the representation given by the Company, all the existing related party transactions of the Company with its related parties are in the ordinary course of business and on arm's length basis or as per the contracts existing on the commencement of the Act, 2013 and have been approved by the Audit Committee.
2. During the year under review, there was variation in the terms of appointment of Mr. Vineet Suchanti, Managing Director and Mr. Uday S. Patil, Whole Time Director with effect from 1st February 2016. The Company would be seeking ratification of such variation at the forthcoming Annual general Meeting to be held on 29th July, 2016.

I further report that there were no events/actions in pursuance of:

- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- The Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009;
- The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999;

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Uma Lodha & Company

Sd/-

Uma Lodha
Proprietor
ACS/FCS No. : 5363
C.P. No.2593

Place : Mumbai
Date : 26th May, 2016

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE B(i)' and forms an integral part of this report.

ANNEXURE B(i)'

To,

The Members,
Keynote Corporate Services Limited

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Uma Lodha & Company

Sd/-

Uma Lodha
Proprietor
ACS/FCS No. : 5363
C.P. No.2593

Place : Mumbai
Date : 26th May, 2016

Annexure [D] to Director's Report

FORM No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any:	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Particulars	Details
a)	Name (s) of the related party and nature of relationship	NIL
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
e)	Date(s) of approval by the Board, if any:	
f)	Amount paid as advance, if any:	

By Order of the Board

For **Keynote Corporate Services Limited**

Sd/-
Uday S. Patil
Director & CFO
(DIN: 00003978)

Sd/-
Vineet Suchanti
Managing Director
(DIN: 00004031)

Date : 26th May, 2016
Place : Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. Industry structure and developments

Over the years Indian capital market has improved and developed as a sophisticated market place with modern facilities and amenities. With a dedicated regulator for the securities market the functions have become systematic and controlled providing depth & discipline to the market structure. SEBI regulates capital market through the process of registering the intermediaries and framing rules & regulations for each activity involving capital market functions. As per the available data on registered market intermediaries, there are 191 Merchant Bankers, 3405 Corporate Brokers under Cash segment & 853 Depository Participants registered with SEBI as on December 2015. Your Company is one of the capital market intermediaries registered with SEBI as Category I Merchant Banker. Keynote Capitals Limited, the subsidiary of the Company, is also registered with SEBI as 'Corporate Broker' and 'Depository Participant' of Central Depository Services Ltd.

The industry structure is well defined and organized over a period of time. The capital market regulator acts swiftly to adopt to any change & development that is witnessed in the market place. The consultative process of making rules & regulations and also monitoring the intermediaries is adopted by the regulators making it a very vibrant and transparent structure. The requirement of having trained personnel at various registered intermediaries is being implemented by SEBI which is helping the intermediaries to remain up-to-date in tune with global market conditions and practices followed besides having knowledge and information about the recent developments in the capital market. With India, being one of the favoured investment destination, capital market structure is bound to become more & more sophisticated with latest technologies.

b. Opportunities and Threats

With the vibrant economic and capital market conditions there are many opportunities for Merchant Bankers and other intermediaries to provide services to the clients. Capital raising is a specialized job on account of various applicable regulations & market practices followed, which gives better opportunities for well structured organizations with good base of experienced & highly educated employees. The financial year ended 2015-16 saw a distinct improvement in activities in public equity markets. Major revival was witnessed in the IPO market after nearly 4 dismal years. The trend is likely to continue & Merchant Bankers and other intermediaries have large opportunities to advise clients on various capital market structures including resource raising. However, the resource raising activities are well received only in respect of larger transactions as the size of the market has grown tremendously. The smaller companies are finding it difficult to raise equity resources. Though there is an emergence of separate segment of Merchant Bankers providing services to small & medium enterprises for equity resource raising, the size of operations can pose a threat making them unviable unless developed rationally.

c. Segment-wise performance

During the financial year there was a significant improvement in the income of the Company. The income of the Company mainly comprises of fees received on advisory services in the field of Merchant Banking, Corporate & ESOP advisory. On a consolidated basis the income comprises of Brokerage, Depository income, Profit on trading & securities besides Interest on loans & advances. The segment-wise performance has been encouraging during the financial year mainly on account of improved activity in the primary market. The total income during the year was ₹997.87 lacs registering an increase of 71% as against the total income for the previous year. Similarly on a consolidated basis total income was ₹2324.43 lacs an increase of 43.57% as against the total income for the previous year. Consequently PAT has also registered a substantial increase. This is mainly attributable to the improved market conditions and increase in resource raising activity.

d. Outlook

The overall political and economical scenario in the country has been improved with a steady increase in GDP. India has been a favoured investment destination in the world. The overall impact on the capital market has been very positive. It is expected that the current financial year will also have a optimistic outlook as far as capital market is concerned though some negative breakouts are expected on account of any international events that may affect Indian capital markets.

e. Risks & Concerns

Industry is always facing the risk of adverse effects on business on account of external factors. The capability of execution and completion of mandates remains a challenge on account of various factors. Though there are many registered Merchant Bankers, the number of entities which are active in the said segment is very less. The institutionalization of the Merchant Banking business by the large players remains a concern for many mid market participants to cope up with fast growing and changing landscape in the financial market.

f. Internal Control systems and their adequacy

The company being in existence as Merchant Banker since past 2 decade has developed well structured internal control systems to conduct the business within the framework of Regulations. The present structure & systems are adequate and commensurate to the size of operations of your company.

g. Discussion on financial performance with respect to operational performance

The year 2015-16 witnessed a major revival in the IPO markets after nearly 4 dismal years. Though the year witnessed turbulent secondary market, the primary market showed signs of revival as many IPOs hit the market during the financial year. During the financial year 2015-16, 24 Main Board IPOs were launched in the primary market and significant activity was also witnessed in the IPOs of SME platforms where 50 SME IPOs were launched. The mobilization of resources through Rights issue also recorded an increase with 12 Rights issues being completed during the financial year. The increased equity resource raising through primary market is seen with enthusiasm by market participants and investors. Your company also witnessed major activity in these areas and has performed well as compared to the previous financial year.

Your company also completed many capital market transactions during the financial year. Keynote acted as 'Financial Advisor' for a large IPO of a Company engaged in 'Fragrance & Flavours' business and also sole Lead Managed a Main Board IPO of a Company engaged in manufacturing of dyes and dye intermediates alongwith fertilizers. Company lead managed 3 Rights issues and also completed an SME issue on NSE platform i.e. EMERGE. The Company played a major role in the capital market transactions pertaining to one of the Chinese Major who entered India by acquiring a listed Company. The Company advised the Chinese promoter for 'Offer for Sale' and also in respect of Rights issue amounting to ₹100 crores. Besides this, Company was also able to complete a few transactions in respect of Scheme of Arrangement, Valuation & ESOP Advisory etc. The total income during the year was ₹997.87 lacs, an increase of 71% as against the total income for the previous year. Consequently the PAT has reached ₹348.42 lacs registering substantial increase over the previous year's profit after tax. There has been a general sense of buoyancy in the capital market and company expects to bag few more mandates on IPOs & other capital market transactions.

h. Material developments in Human Resources/Industrial Relations front, including number of people employed

You company operates with a sleek employee structure. The employee strength of the company and its subsidiaries is 47. The company has already put in place adequate processes, facilities, infrastructure and environment enabling the employees to function in an appropriate manner. The company has adequate compensation structure at each level of employee resulting in appropriate relationship. There are no significant developments in this regard during last financial year except a few resignations and appointments which are routine in nature.

DISCLOSURE OF ACCOUNTING TREATMENT

Your Company follows Accounting Standards as prescribed by Institute of Chartered Accountants of India (ICAI)for preparation of financial statements; there is no other such different treatment followed for the same.

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The philosophy of governance has been deeply rooted in the culture of the Company over a long period of time. The Company continues to deliver value to its various stakeholders. The practice of responsible governance has enabled the Company to maintain sustainability, while meeting the expectations of all stakeholders and the society at large. Besides complying with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company has adopted various practices and set reasonable standards for conducting business. The Company endeavours to improve upon aspects like transparency, professionalism, accountability and fair disclosures, on an ongoing basis and takes necessary steps towards growth and enhancing value for its shareholders.

The Company has complied with all the regulations stipulated by the Securities Exchange Board of India (SEBI) in the Listing Regulations.

GOVERNANCE FRAMEWORK

The Company's Governance structure consists of Board of Directors, its Committees and the Management.

BOARD STRUCTURE:

Board Leadership:

The Company has a well-balanced Board of Directors with members from diverse backgrounds who have experience and expertise in various fields. Out of 8 members on the Board, 4 are Independent Directors who are well known for their wealth of experience, high standards of governance and independence. 2 out of 8 members are Non-Executive/Promoter Directors. 2 out of 8 members are Whole-Time Directors. The Managing Director is responsible for the overall management of the affairs of the Company under the supervision of the Board of Directors. The Board over the period of years has created a culture of leadership to provide long-term vision and policy approach to improve performance and quality of governance in the Company. It has played a primary role in providing strategic direction to the management coupled with giving responsibility and accountability to deliver value with highest level of transparency and integrity.

Board Committees:

Committees have been constituted by the Board with specific terms of reference and have an optimum representation of Board members. These Committee members meet at such frequency as is necessary to address the responsibilities and tasks assigned to them. Presently there are four (4) Committees of the Board viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Management Committee (Non-mandatory).

BOARD OF DIRECTORS

Composition:

The composition of the Board is in conformity with Regulation 17(1) of Listing Regulation as well as the Companies Act, 2013. The Company has a Non-Executive Chairman and an optimum representation of Independent Directors on the Board of Directors of the Company.

The composition of the Board of Directors of the Company as on 31st March, 2016 is as follows:

Category	:	Name of Directors
Promoter Directors	:	Shri B. Madhuprasad Chairman – Non Executive Shri Vineet Suchanti Managing Director Smt. Rinku Vineet Suchanti Non-Executive
Executive Director	:	Shri Uday S. Patil

Independent Directors	:	Shri Hitesh Shah Shri Sujal Shah (Resigned w.e.f. 4th May, 2015) Shri Anish Malhotra Shri Manish Desai Shri Shishir Dalal (Appointed w.ef. 4th May, 2015)

Smt. Rinku Vineet Suchanti is the spouse of Shri Vineet Suchanti. None of the other directors are related to any other director on the Board.

Board Meetings held during the financial year 2015-2016.

The Board of Directors had met 4 times during the financial year 2015-2016. These meetings were held on 28th May, 2015, 10th August, 2015, 14th November, 2015 and 11th February, 2016. Composition of Board of Directors, attendance at the Board Meetings and the last Annual General Meeting as on 31st March, 2016, as applicable, is tabulated hereunder:

Name of the Director	No. of Board Meeting attended	Attendance at previous AGM on 29/09/2015	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 [DIN-00004632]	4	Yes	2	Nil	Nil	Non-Executive
Shri Vineet Suchanti [DIN-00004031]	4	Yes	4	3 #	4 ##	Executive
Shri Uday S. Patil [DIN-00003978]	4	Yes	2	Nil	Nil	Executive
Shri Hitesh Shah [DIN-00061296]	2	No	1	1 *	Nil	Independent
Shri Anish Malhotra [DIN-02034366]	2	No	4	Nil	Nil	Independent
Shri Manish Desai [DIN-02925757]	4	No	1	Nil	Nil	Independent
Shrimati. Rinku Suchanti [DIN-00012903]	3	Yes	3	—-	—-	Non-Executive
Shri Shishir Dalal (DIN-00007008)	3	Yes	6	3 @	5 @@	Independent

\# Member of "Share Transfer Committee", "Stakeholder Relationship Committee" and "CSR Committee" of LKP Finance Limited.

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

* Member of Audit Committee of Keynote Capitals Limited.

@ Member of "Executive Committee" and "Nomination and Remuneration Committee" of Sustainable Agro-Commercial Finance Limited and "Risk Management Committee" of Windsor Machines Limited.

@ @ Chairman of "Audit Committee" of Sustainable Agro-Commercial Finance Limited, Windsor Machines Limited, Chairman of "Corporate Social Responsibility Committee", "Nomination and Remuneration Committee" and "Fund Raising Committee of Windsor Machines Limited.

All the Directors have informed the Company periodically about their Directorship and Membership on the Board/ Committees of the Board of other companies.

INDEPENDENT DIRECTORS:

Company has at its last Annual General Meeting (AGM) held on 29th September, 2015 appointed Shri Shishir Dalal (DIN: 00007008) as Independent Director pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 25 of Listing Regulation for the period of five (5) consecutive years commencing from 29th September, 2015. The Independent Directors have submitted declarations that they meet the criteria of independence as per the provisions of the Companies Act, 2013 and the Listing Regulations; a statement in this regard forms part of the Board's Report. The Company had also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 and Listing Regulations. A sample of the letter of appointment is available on the website of the Company and can be accessed through the link: http://www.keynoteindia.net/document-hosting/AppointmentLetters CorporateGovernance/ Appointment%20Letters%20to%20Independent%20Directors.pdf

The shareholding of the Non-Executive Directors of the company as on 31st March, 2016 is as follows:

Name of the Director	Nature of Directorship	No. of Shares held	% to the paid up Share Capital
Shri B. Madhuprasad	Non-Executive Chairman/Promoter	48550	0.69
Shri Hitesh Shah	Independent Director	Nil	Nil
Shri Anish Malhotra	Independent Director	Nil	Nil
Shri Manish Desai	Independent Director	Nil	Nil
Smt. Rinku Suchanti	Non-Executive Director/Promoter	3802	0.05
Shri Shishir Dalal	Independent Director	Nil	Nil

Shri Vineet Suchanti, Managing Director holds 11977 (0.17%) Equity Shares of the Company as on 31st March, 2016 and Shri Uday S. Patil, Whole-Time Director and CFO holds 2500 (0.03%) Equity Shares of the Company as on 31st March, 2016.

Board Procedures

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of the Company. The tentative annual calendar of Board Meetings for the ensuing year is decided in advance by the Board.

The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board members are, on a quarterly basis, appraised by the Managing Director on the overall performance of the Company through presentations and detailed notes.

Presentations are also made by the Executive Directors on the Company's plans, performance, operations and other matters on a periodic basis. The Board has complete access to any information within the Company which includes the information as specified in Part A of Schedule II Listing Regulations and they are updated about their roles and responsibilities in the Company.

The Board, inter alia, reviews annual operating and capital expenditure plans and budgets, financial statements of business segments, compliance report(s) of all laws applicable to the Company, major legal and tax issues, policies/charters of committees of the Company, appointment and remuneration to Directors, minutes of the Board Meetings of the Company's subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, risk management, transactions involving sale of material investments, subsidiaries, assets, which are not in normal course of business, foreign currency exposure, status of all investments made by the Company, minutes of meetings of the Committees of the Board, declaration of dividend,

issue of securities, short-term borrowings, any other proposal from the management regarding mergers, acquisitions and restructuring of investments, etc.

The proceedings of each meeting of the Board and its Committees are captured in accordance with the provisions of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014.

Directors' Induction and Familiarization

The provision of an appropriate induction for new Directors and ongoing familiarisation training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Managing Director is responsible for ensuring that such induction programme is provided to Directors. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise. The induction process is designed to:

a. build an understanding of the Company, its businesses and the markets and regulatory environment in which it operates;

b. provide an appreciation of the role and responsibilities of the Director;

c. fully equip Directors to perform their role on the Board effectively; and

d. develop understanding of Company's people and its key stakeholder relationships.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. In addition to the extensive induction and training provided as part of the familiarization programme, the Independent Directors are also taken through various business and functional sessions in the Board meetings including the Board meetings to discuss strategy. The details of Director's induction and familiarization are available on the Company's website at http://www.keynoteindia.net/document-hosting/financial_results/Familiarization_Pragram_for_Independent_Directors_of_Keynote.pdf

Separate Independent Directors' Meeting:

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of Listing Regulations, a meeting of the Independent Directors of the Company was held on 11th February, 2016, without the attendance of Non-Independent Directors and members of the management.

Evaluation of Board Effectiveness

In terms of provisions of the Companies Act, 2013 read with Rules issued there under and Part D of Schedule II of Listing Regulations, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 2016. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

COMMITTEES OF THE BOARD

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and Listing Regulations. The minutes of Committee meetings are tabled at the Board meetings and the Chairman of each Committee briefs the members of the Board on the important deliberations and decisions of the respective Committees. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013.

The Board has currently established the following statutory and non-statutory Committees.

AUDIT COMMITTEE

The Audit Committee has played an important role in ensuring the financial integrity of the Company. The Audit Committee's role includes oversight of the financial reporting process, the audit process, the adequacy of internal controls and compliance with applicable laws and regulations.

The composition of the Audit Committee is in line with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The members of the Audit Committee are financially literate and have requisite experience in financial management. The Committee invites the Managing Director, Chief Financial Officer (CFO) and Statutory Auditor to attend its meetings.

The previous annual general meeting (AGM) of the Company was held on 29th September, 2015 and was attended by Shri Shishir Dalal, Chairman of Audit Committee.

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended 31st March, 2016 are detailed below:

The Audit Committee comprises of 3 members namely Shri Shishir Dalal, Shri Hitesh Shah and Shri Manish Desai. All are Independent Directors. The Committee met 6 (six) times during the year under review. The audit committee met prior to the finalization of the accounts for the year ended 31st March, 2016.

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company	No. of Meetings attended upto 31st March, 2016
1.	Shri Shishir Dalal (w.e.f. 4th May, 2015)	Chairman	Independent	4
2.	Shri Hitesh Shah	Member	Independent	4
3.	Shri Manish Desai	Member	Independent	6

The necessary quorum was present for all the meetings.

The scope of activities and terms of reference of the Audit Committee is governed by a Charter which is in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

A. The role of the Audit Committee, inter alia, includes the following:

(1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- (a) matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- (b) Changes, if any, in accounting policies and practices and reasons for the same;
- (c) major accounting entries involving estimates based on the exercise of judgment by management;
- (d) significant adjustments made in the financial statements arising out of audit findings;
- (e) compliance with listing and other legal requirements relating to financial statements;
- (f) disclosure of any related party transactions;
- (g) modified opinion(s) in the draft audit report;

(5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency

monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) approval or any subsequent modification of transactions of the listed entity with related parties;

(9) scrutiny of inter-corporate loans and investments;

(10) valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) discussion with internal auditors of any significant findings and follow up there on;

(15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) to review the functioning of the whistle blower mechanism;

(19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

B. The audit committee shall mandatorily review the following information:

(1) management discussion and analysis of financial condition and results of operations;

(2) statement of significant related party transactions (as defined by the audit committee), submitted by management;

(3) management letters / letters of internal control weaknesses issued by the statutory auditors;

(4) internal audit reports relating to internal control weaknesses; and

(5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

(6) statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee broadly plays a dual role of determining the composition of the Board based on need and requirements of the Company from time to time and determines the overall compensation framework and policy for Directors, senior management and employees. The Committee further reviews that the human resource practices of the Company are effective in maintaining and retaining a competent workforce.

The composition of the "Nomination and Remuneration Committee" is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

The Committee met two (2) times during the financial year ended 31st March, 2016 on 4th May, 2015 and 11th February, 2016. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31st March, 2016 is detailed below:

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	No. of Meetings attended upto 31st March, 2016
1.	Shri Anish Malhotra	Chairman	Independent	1
2.	Shri B. Madhuprasad	Member	Non Executive	2
3.	Shri Hitesh Shah	Member	Independent	—
4.	Shri Manish Desai	Member	Independent	2

The Nomination and Remuneration Committee is empowered, pursuant to its terms of reference, *inter alia*, to:

1. Identify persons who are qualified to become Directors and persons who may be appointed in Senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
2. Carry on the evaluation of every Director's performance;
3. Formulate criteria for determining qualifications, positive attributes and independence of a Director;
4. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
5. Formulate criteria for evaluation of Independent Directors and the Board;
6. Devise a policy on Board Diversity; and
7. Undertake any other matters as the Board may decide from time to time.

In accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors at their meeting held on 11th November, 2014 formulated the Nomination and Remuneration Policy of the Company on the recommendations of the Nomination and Remuneration Committee.

Nomination and Remuneration Policy of the Company:

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee has, inter alia, the following responsibilities:

1. Formulate the criteria for appointment as a Director: The Committee shall formulate criteria, and review them on an ongoing basis, for determining qualifications, skills, expertise, qualities, positive attributes required to be a Director of the Company.
2. Identify persons who are qualified to be Directors: The Committee shall identify persons who are qualified to become Directors and who satisfy the criteria laid down. The process of identification shall include ascertaining, meeting, screening and reviewing candidates for appointment as Directors, whether Independent, Non-Executive or Executive.
3. Nominate candidates for Directorships subject to the approval of Board: The Committee recommends to the Board the appointment of potential candidates as Non-Executive Director or Independent Director or Executive Director, as the case may be.
4. Approve the candidates required for Senior Management positions: The Committee shall lay down criteria including qualifications, skills, expertise and qualities required for senior management positions like Managing Director, CFO, Company Secretary and Executive Directors of the Company.
5. Evaluate the performance of the Board: The Committee shall determine a process for evaluating the performance of every Director, Committees of the Board and the Board. The Committee may seek the support and guidance of external experts and agencies for this purpose.

6. Evaluate the performance of the Managing Director or Whole-time Director and determine the Executive compensation: The Committee shall evaluate the performance of the Managing Director by setting his Key Performance Objectives at the beginning of each financial year. The Committee shall also approve his/her/their compensation package(s) in accordance with applicable laws, in line with the Company's objectives, shareholders' interests, comparable with industry standards and which shall have an adequate balance between fixed and variable component.
7. Review performance and compensation of Senior Management: The Committee shall review the performance of the senior management of the Company. The Committee shall ensure that the remuneration to the Key Managerial Persons and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
8. Recommend to the Board, commission (if any) to the Non-Executive Directors: The Committee shall recommend the commission payable to the Non-Executive Directors, including Independent Directors, to the Board of Directors of the Company after considering their contribution to the decision making at meetings of the Board/Committees, participation and time spent as well as providing strategic inputs and supporting the highest level of corporate governance and Board effectiveness. It shall be within the overall limits fixed by the shareholders of the Company.

Remuneration to the Managing Director

The shareholders of the Company at the 21st Annual General Meeting held on 9th September, 2014 approved the re-appointment of the Managing Director of the Company for a period of five (5) years commencing from 5th May, 2014 to 4th May, 2019. The terms and conditions of his appointment including remuneration payable to him was approved which was in accordance with the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force). The details of the Remuneration paid to the Managing Director is stated in the Form MGT- 9 – Extract of the Annual Return which forms part of the Board's Report in this Annual Report.

Details of remuneration paid to Non-Executive Directors during the year 2015-16:

During the financial year ended 31st March, 2016, the Company paid ₹ 35,000/- (Rupees Thirty Five Thousand only) as sittings fees for attending the Board meetings to the Independent Directors and ₹ 10,50,000/- (Rupees Ten Lacs Fifty Thousand only) as a professional fees to Shri B. Madhuprasad, Chairman of the Company.

Details of the remuneration paid to the Executive Directors of the Company for the financial year ended 31st March, 2016 is as follows:

During the financial year ended 31st March, 2016, the Company paid to total amount ₹ 79,13,506/- (Rupees Seventy Nine Lacs Thirteen Thousand Five Hundred Six only) to Whole-Time Directors of the Company. Company has not granted any stock options to any of its Directors.

STAKEHOLDERS RELATIONSHIP COMMITTEE

In the Financial Year 2014-2015, the nomenclature of the "Shareholders/Investors Grievance Committee" was changed to "Stakeholders Relationship Committee" pursuant to the provisions of Section 178 of the Companies Act, 2013. The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Stakeholders Relationship Committee of Directors 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.

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 and takes on record the details of submissions made by Registrar & Transfer Agent (RTA), if any.

During the financial year 2015-2016 few communications were received from shareholders and Investors. These communications were of routine nature regarding duplicate shares certificates, corrections/change in address, and issuance of demand draft against dividend warrant due to expiry of the date etc and were addressed promptly.

All valid requests for share transfer received during 2015-2016 have been acted upon by the Company and no transfer/grievances/complaints are pending.

The details of the complaints resolved during the financial year ended on 31st March, 2016 are as follows:

Number of Complaints	Received	Resolved	Closing
Nil	Nil	Nil	Nil

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.

GENERAL BODY MEETINGS

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

Year	Venue	Date	Time
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.
2013-2014	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort, Mumbai – 400 001	9th September, 2014	10.00 a.m.
2014-2015	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort, Mumbai – 400 001	29th September, 2015	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
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
9th September, 2014	6	1. Appointment of Shri Hitesh Shah [DIN-00061296] as an Independent Director of the Company for five consecutive years commencing from 9th September, 2014 2. Appointment of Shri Sujal Shah [DIN-00058019] as an Independent Director of the Company for five consecutive years commencing from 9th September, 2014. 3. Appointment of Shri Anish Malhotra [DIN-02034366] as an Independent Director of the Company for five consecutive years commencing from 9th September, 2014. 4. Appointment of Shri Manish Desai [DIN-02925757] as an Independent Director of the Company for five consecutive years commencing from 9th September, 2014. 5. Re-appointment of Shri Vineet Suchanti as Managing Director of the Company for five years w.e.f. 5th May, 2014. 6. Adoption of new Articles of Association of the Company, substituted in place of existing Articles of Association on based on Table "F" of the Companies Act.
29th September, 2015	3	1. Appointment of M/s. NMAH & Co. Chartered Accountants, Mumbai (Firm Registration No. 135966W) as Statutory Auditors of the Company. 2. Appointment of Smt. Rinku Suchanti as a Non-Executive Director of the Company. 3. Appointment of Shri Shishir Dalal [DIN- 00007008] as an Independent Director of the Company for five consecutive years Commencing from 29th September, 2015.

All special resolutions set out in the notices for the Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority.

Postal Ballot

During Financial Year 2015-2016, the Company successfully completed the process of obtaining approval of its members through Postal Ballot by passing an Ordinary Resolution for appointment of M/s. S M S R & CO & LLP Chartered Accountants, Mumbai (Firm Registration No. 110592W/W1000094) as Statutory Auditors of the Company to fill casual vacancy caused by the resignation of M/s. NMAH & Co. Chartered Accountants, Mumbai (Firm Registration No. 135966W).

Voting Pattern and Procedure for Postal Ballot:

i) The Board of Directors of the Company, vide their board resolution dated 14th November, 2015, had appointed M/s. Uma Lodha & Company, Practising Company Secretaries, as the Scrutinizer for conducting the postal ballot voting process.

ii) The Company had completed the dispatch of the Postal Ballot Notice dated 14th November, 2015 together with the Explanatory Statement on 24th November, 2015, along with the Postal Ballot Form and self-

addressed, postage prepaid envelope to all the members and also sent e-mail to the members whose e-mail IDs were registered with Depository Participant (DP), for seeking approval by postal ballot, including voting by electronic means.

iii) The voting under the postal ballot was kept open from 25th November, 2015 to 24th December, 2015.

iv) Particulars of postal ballot forms received from the members using the electronic platform of Central Depository Services (India) Limited (CDSL) were entered in the said register separately maintained for the purpose.

v) All postal ballot forms received up to the close of working hours (5.00 p.m.) on 24th December, 2015, the last date and time fixed by the Company for receipt of the forms, had been considered for their scrutiny.

vi) Envelopes containing postal ballot forms received after close of business hours on 24th December, 2015 were not considered for their scrutiny.

vii) On 29th December, 2015, the postal ballot results were announced as per the Scrutinizer's Report as under:

Resolution No.	Business for transaction	Results
Resolution No.1	Ordinary Resolution for Appointment of M/S S M S R & Co. LLP Chartered Accountants Mumbai (Firm Registration No. 110592W/ W100094) as Statutory Auditors of the Company to fill casual vacancy caused by the resignation of M/s. NMAH & Co., Chartered Accountants, Mumbai (Firm Registration No. 135966W).	Passed with requisite majority

Particulars	Number of Votes contained in						% of Total valid votes cast
	E - Voting		Ballots Voting		Total		
	No. of members voted	Number of votes cast by them	No. of Members voted	Number of votes cast by them	No. of members voted	Number of votes cast by them	
Voted in Favour	15	4062329	45	5542	60	4067871	99.99
Voted Against	0	0	3	158	3	158	0.004
Invalid	0	0	3	116	3	116	0.003

Extraordinary General Meeting

During the year, no extraordinary General Meeting of the members was held.

MEANS OF COMMUNICATION

1. Publication of quarterly financial results:

Quarterly, half-yearly, nine-monthly and annual financial results of the Company were published in English and vernacular language newspapers, viz., Free Press Journal and Navshakti, Mumbai newspapers.

"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)

2. Website and News Releases:

A separate dedicated section under 'Investors Relations' on the Company's website gives information of unclaimed dividend, Annual Report, Quarterly/Half yearly/ Nine-monthly and Annual financial results along with the applicable policies of the Company.

3. Stock Exchange:

Your Company makes timely disclosures of necessary information to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in terms of the Listing Agreement(s) and other rules and regulations issued by SEBI.

4. **NEAPS (NSE Electronic Application Processing System):**

NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are also filed electronically through NEAPS.

5. **BSE Corporate Compliance & Listing Centre:**

http://listing.bseindia.com/ is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, Shareholding pattern, Corporate Governance Report, Corporate announcements, amongst others are also filed electronically on the Listing Centre.

GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting

Date and time	:	Friday, 29th July, 2016, 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, 2016
Tentative Schedule for declaration of results during the financial year 2016-2017		
• 1st Quarter (June, 2016)	:	First week of August, 2016.
• 2nd Quarter (September, 2016)	:	First week of November, 2016
• 3rd Quarter (December, 2016)	:	Second week of February, 2017
• 4th Quarter (March, 2017) and Audited Financial Results for the year ended 31st March, 2017	:	Last week of May, 2017
Date of Book Closure	:	From Saturday, 23rd July, 2016 to Friday, 29th July, 2016 (both days inclusive) for the purpose of Annual General Meeting and payment of Dividend which will be subject to approval of shareholders.
Dividend Payment date • Final Dividend 2015-2016 recommended by the Board of Directors at its Meeting held on 26th May, 2016.	:	After 29th July, 2016 (Subject to approval of the 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.

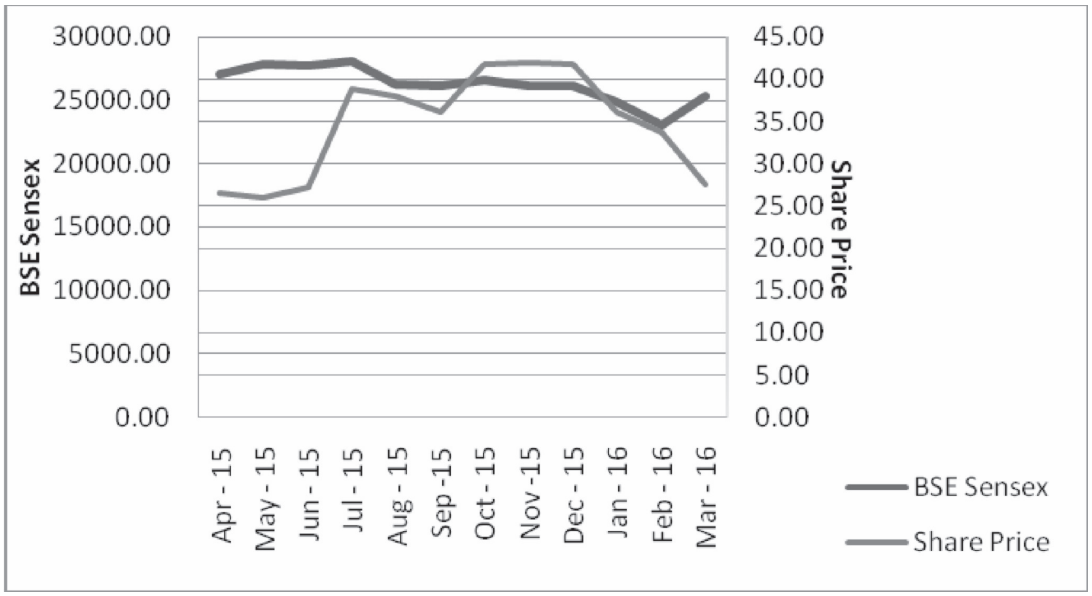
Monthly High/Low price of Equity Shares of the Company during the financial year 2015-201 6 on BSE Limited and National Stock Exchange of India Limited.

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, 2015	29.30	26.15	NT	NT
May, 2015	26.00	26.00	NT	NT
June, 2015	29.15	23.95	NT	NT
July, 2015	39.90	26.50	36.00	36.00
August, 2015	41.95	35.00	NT	NT
September, 2015	41.40	36.10	NT	NT
October, 2015	41.75	36.05	NT	NT
November, 2015	45.00	38.70	35.00	31.00
December, 2015	46.65	39.90	34.00	30.85
January, 2016	45.70	36.20	35.85	34.15
February, 2016	36.75	31.65	NT	NT
March, 2016	35.00	27.55	NT	NT

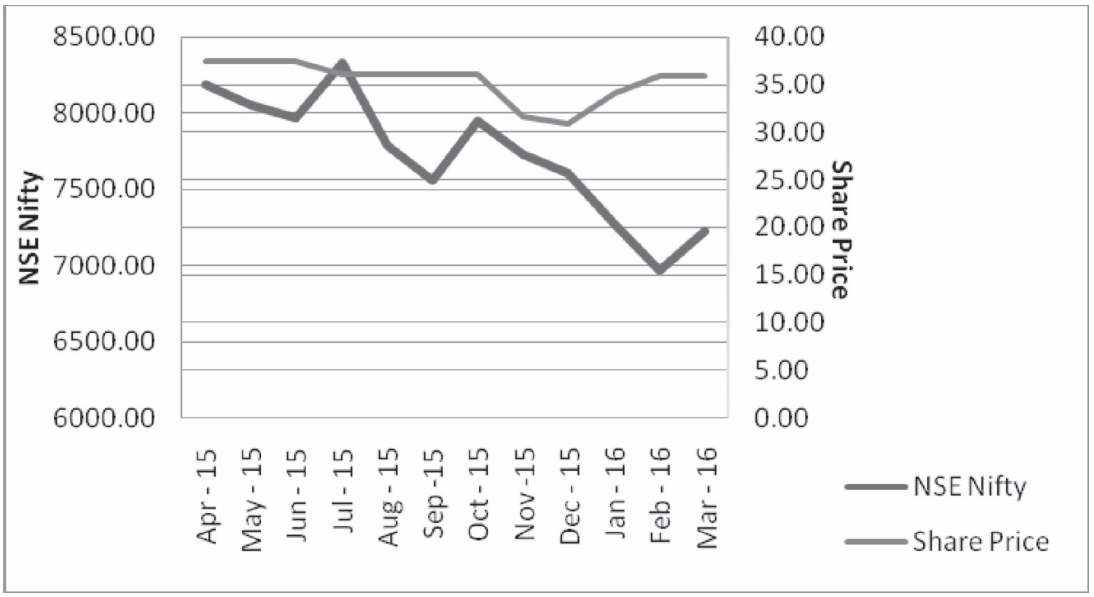
NT: No Trading

Source: BSE and NSE website

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

For any queries relating to the shares of the Company, correspondence may please be addressed to:
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 and Regulation 7(3) of the Listing Regulations 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, 2016

No. of Shares	Shareholders		Shareholding	
	Number	%	Number	%
Upto 5000	2202	91.10	3,02,123	4.30
5001 to 10000	100	4.14	78,961	1.13
10001 to 20000	47	1.94	72,001	1.03
20001 to 30000	24	0.99	59,936	0.85
30001 to 40000	12	0.50	42,628	0.61
40001 to 50000	3	0.12	14,829	0.21
50001 to 100000	6	0.25	43,497	0.62
100001 and above	23	0.96	64,04,364	91.25
TOTAL	**2417**	**100.00**	**70,18,339**	**100.00**

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016

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	13,900	0.20
	(b) Financial Institutions/Banks	300	0.00
	(c) Foreign Institutional Investors	5,61,348	8.00
	2. Non-Institutions		
	(a) Individuals	7,54,633	10.76
	(b) Trust	14,51,902	20.69
	(c) Hindu Undivided Family	18,290	0.26
	(d) Non-Resident (Non-Repatriable)	630	0.01
	(e) Non-Resident Indians (Repat)	4,316	0.06
	(f) Clearing Members	11,205	0.15
	(g) Bodies Corporate	1,39,597	1.99
	Sub Total :	29,56,121	42.12
	GRAND TOTAL	**70,18,339**	**100.00**

Dematerialization of Shares: 67,75,453 Equity Shares of ₹ 10/- each (i.e. 96.54%) of the total capital of the Company have been dematerialized as on 31st March, 2016.

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic/ dematerialized form. For any clarification, assistance or information, please contact the Registrar and Transfer Agent of the Company.

Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on equity:

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on 31st March, 2016.

ADDRESS FOR CORRESPONDENCE:

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

Shareholders are requested to quote their folio no./DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Registrar & Transfer Agent.

National Electronic Clearing System (NECS) for dividend:

The remittance of dividend through Electronic Clearing System has been moved to National Electronic Clearing System (NECS) platform through core banking system effective 1st October, 2009. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a bank has not migrated to core banking system, or where core banking account is not furnished by the shareholder to the Depository/Company as the case may be, the Company will print details available in its records on the dividend warrants to be issued to the shareholders.

For shares held in physical form:

Investors who would like to avail NECS facility and are holding shares in physical form may send in their NECS Mandate Form, duly filled in to the Company's Registrar and Transfer Agent, Link Intime India Pvt. Ltd. The NECS Mandate instruction should be under the signature of the shareholder(s) as per the specimen signature lodged with the Company.

For shares in electronic/dematerialized form:

Investors holding shares in dematerialized or electronic form may check the details on record with the concerned Depository Participant (DP). Pursuant to the Depository Regulations, the Company is obliged to pay dividend on dematerialized shares as per the details furnished by the concerned DP. The Company or the Registrar and Transfer Agent cannot make any change in such records received from the Depository.

Transfer of unclaimed dividend to Investor Education and Protection Fund:

In terms of Sections 205C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF.

OTHER DISCLOSURES

a. Related Party Transactions

During the financial year 2015-2016, the Company had no materially significant Related Party Transaction (RPT) which is considered to have potential conflict with the interest of the Company at large. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the following link: http://www.keynoteindia.net/document-hosting/financial_results/Keynote_Policy%20on%20Related%20Party%20Transactions.pdf

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years 2013-14, 2014-2015 and 2015-16 respectively: There are no instance of non-compliance and penalties imposed on the Company by Stock Exchange and SEBI except the prohibition order passed as detailed on page no. 18 & 19

c. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link: http://www.keynoteindia.net/document-hosting/financial_results/WHISTLE%20BLOWER%20POLICY.pdf

iv. Reconciliation of share capital audit: A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

v. 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) Date of Number of Details of Special Resolutions Passed Annual General Special Meeting Resolutions passed.

The members of the Board and Senior management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2016. The Annual Report of the Company contains a Certificate by the Managing Director in terms of Regulation 34(3) and Part D of Schedule V of the Listing Regulations based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

SUBSIDIARY COMPANIES

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

The audit committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the board of directors of the Company.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at

http://www.keynoteindia.net/document-hosting/financial_results/Material_Subsidiary_Policy.pdf

By Order of the Board

For **Keynote Corporate Services Limited**

Sd/-	Sd/-
Uday S. Patil	**Vineet Suchanti**
Director & CFO	Managing Director
(DIN: 00003978)	(DIN: 00004031)

Date : 26th May, 2016
Place : Mumbai

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2016.

By Order of the Board

For **Keynote Corporate Services Limited**

Sd/-

Vineet Suchanti

Managing Director

(DIN : 00004031)

Place: Mumbai

Date: 26th May, 2016

Managing Director and Chief Financial Officer (CFO) Certification

We, Vineet Suchanti (Managing Director) and Uday S. Patil (Chief Financial Officer) 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, 2016 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.

By Order of the Board

For **Keynote Corporate Services Limited**

Sd/-	Sd/-
Uday S. Patil	**Vineet Suchanti**
Director & CFO	Managing Director
(DIN: 00003978)	(DIN: 00004031)

Date : 26th May, 2016

Place : Mumbai

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** for the year ended March 31, 2016 as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchange of India for the period 1st April 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015) as referred in Regulation 15(2) of the listing regulations for the period 1st December 2015 to 31st March 2016.

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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We 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.
Practicing Company Secretaries

Sd/-
Uma Lodha
Proprietor
C.P. No. 2593

Place : Mumbai
Date : 26th May, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Keynote Corporate Service Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Keynote Corporate Services Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company does not have any pending litigations which would impact its financial position.

ii. the Company has made provisions,as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts – Refer Note 31 to the standalone financial statements.

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S M S R & Co LLP**
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/
Ravi Kapoor
Partner
Membership No: 040404

Date : 26 May 2016
Place :Mumbai

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date]

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of section 143(11) of Companies Act, 2013 ('the Act') of Keynote Corporate Services Limited ('the Company')

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

(b) During the year, the fixed assets have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The Company is a service company, primarily rendering services of investment banking, corporate advisory and ESOP advisory services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) The Company has granted loans to two bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.

(b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.

(c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee state insurance, income-tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of income tax, tax, service tax and cess that have not been deposited by the Company with the appropriate authorities on account of dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks. The company does not have any loan or borrowings from government or debenture holders during the year.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **S M S R & Co LLP**
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/
Ravi Kapoor
Partner
Membership No: 040404

Date : 26 May 2016
Place :Mumbai

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Keynote Corporate Services Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the

extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition,use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S M S R & Co LLP**
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/
Ravi Kapoor
Partner
Membership No: 040404

Date : 26 May 2016
Place :Mumbai

BALANCE SHEET AS AT 31ST MARCH, 2016

(Amount in ₹)

PARTICULARS	NOTE NO.	AS AT 31-March -2016	AS AT 31-March -2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	**70,183,390**	70,183,390
Reserves and surplus	4	**427,336,100**	400,799,069
		497,519,490	470,982,459
Non-current liabilities			
Long-term borrowings	5	**715,030**	1,694,175
Deferred tax liabilities (net)	6	**7,173,861**	5,358,380
Other long term liabilities	7	**300,000**	300,000
Long-term provisions	8	**1,462,860**	1,670,082
		9,651,751	9,022,637
Current liabilities			
Trade payables	9	**760,895**	3,739,923
Other current liabilities	10	**6,217,621**	10,871,592
Short-term provisions	11	**9,307,711**	9,410,491
		16,286,227	24,022,006
		523,457,468	504,027,102
ASSETS			
Non-current assets			
Fixed assets			
– Tangible assets	12	**96,470,317**	100,709,069
Non-current investments	13	**243,572,811**	242,760,571
Long-term loans and advances	14	**1,578,361**	3,444,324
		341,621,489	346,913,964
Current assets			
Current investments	15	**134,597,248**	40,473,541
Trade receivables	16	**9,759,534**	16,329,796
Cash and bank balances	17	**9,302,891**	7,109,034
Short-term loans and advances	18	**26,559,044**	84,332,747
Other current assets	19	**1,617,262**	8,868,020
		181,835,979	157,113,138
		523,457,468	504,027,102
Significant accounting policies	2		

The accompanying notes referred above form an integral part of the standalone financial statements

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
Ravi Kapoor
Partner
Membership No : 040404

Date : 26th May 2016
Place : Mumbai

For and on behalf of the Board of Directors
Keynote Corporate Services Limited

Sd/-
Vineet Suchanti
Managing Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Saloni Maru
Company Secretary

Date : 26th May 2016
Place : Mumbai

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

PARTICULARS	NOTE NO.	For The Year Ended 31-March -2016	For The Year Ended 31-March -2015
INCOME			
Revenue from operations	**20**	**71,581,425**	40,867,038
Other Income	**21**	**28,205,792**	17,501,230
		99,787,217	58,368,268
EXPENSES:			
Employee benefits expense	**22**	**24,373,115**	24,390,049
Finance costs	**23**	**253,957**	503,416
Depreciation	**24**	**4,402,793**	3,738,858
Other expenses	**25**	**22,604,924**	20,422,531
		51,634,789	49,054,854
Profit before tax and exceptional items		**48,152,428**	9,313,414
Exceptional items	**12**	**—**	1,411,710
Profit before tax		**48,152,428**	7,901,704
TAX EXPENSE			
– Current tax		**11,494,726**	1,224,912
– Deferred tax charge		**1,815,483**	1,467,277
– Current tax for earlier years		**72,397**	—
		13,382,605	2,692,189
Profit for the year		**34,769,823**	5,209,515
Earnings per share (Face value of ₹10 /- each)			
Basic & diluted	**28**	**4.95**	0.74
Significant accounting policies	**2**		

The accompanying notes referred above form an integral part of the standalone financial statements

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
Ravi Kapoor
Partner
Membership No : 040404

Date : 26th May 2016
Place : Mumbai

For and on behalf of the Board of Directors
Keynote Corporate Services Limited

Sd/-
Vineet Suchanti
Managing Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Saloni Maru
Company Secretary

Date : 26th May 2016
Place : Mumbai

Notes to financial statements for the year ended 31st March 2016

1. CORPORATE INFORMATION

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

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

These Financial Statements are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on a going concern basis. GAAP comprises of mandatory accounting standards as prescribed under the Act. Accounting policies have been consistently applied.

(b) Use of estimates

Preparation of the financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Difference between the actual results and estimates are recognised in the period in which the results are known.

(c) Current/Non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of resources for delivery and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

(d) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(e) Fixed Assets

(i) Tangible assets and intangible assets are stated at cost less accumulated depreciation / amortization and impairments, if any.

(ii) Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

(iii) Cost includes expenses related to purchases, borrowing costs and any directly attributable cost for bringing the assets to its working condition for its intended use and excludes any duties and taxes recoverable, net of adjustments arising from the exchange rate variations attributable to the assets.

(iv) Subsequent expenditure related to an item of tangible and intangible fixed asset is capitalised only if it increases the future benefits from the existing assets beyond its previously assessed standards of performance and / or life.

(v) The advances given for acquiring for fixed assets are shown under loans and advances (capital advances).

(vi) Individual assets costing less than ₹ 5,000 are depreciated in full in the year of acquisition.

(vii) Gains or losses arising from disposal of assets and losses due to retirement prior to estimated life of assets, which are carried at cost, are recognised in the Statement of Profit & Loss.

(viii) Items of tangible assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements under "Other current assets". Any expected loss is recognised immediately in the Statement of Profit and Loss.

(ix) Tangible assets and Intangible assets not ready for the intended use on the date of Balance Sheet are stated at Cost as "Capital work-in-progress" and "Intangible Assets under Development" respectively.

f) Depreciation / amortisation on fixed assets

i) Depreciation is provided on pro rata basis under Straight Line Method, as per the useful life of the assets, on all the tangible fixed assets (including property held as investment) which were in use during the year. Residual value for the assets is considered to be at five percent of the original cost of the asset. If the assets are purchased during the year, depreciation is provided on pro – rata basis from the date the assets are installed. In case the assets are sold, depreciation is provided on the same up to the date of sale on pro – rata basis.

Estimated useful lives of the tangible assets is as prescribed in Schedule II of the Companies Act, 2013, exceptin case of Investment Property.

ii) Expenses incurred on computer software having enduring benefits are capitalised and amortised on straight line method (SLM) basis, over a period of five years.

g) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors except in case of intangibles under development which are reviewed at every reporting date. An impairment loss is recognized in the Statement of Profit & Loss, wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risk specifics to the asset.

An impairment loss recognised 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) Assets acquired under lease

The lease arrangement is classified as either a finance lease or an operating lease, at the inception of the lease, based on the substance of the lease arrangement.

i) Operating Lease

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 on straight line basis over lease term.

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 on straight line basis over lease term.

ii) Finance lease

A finance lease is a lease that transfers substantially all the risks and rewards incident to ownership of an asset. A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Initial direct costs, if any, are also capitalized and, subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expenses and the reduction of the outstanding liability. The finance expenses is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

i) Borrowing Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost, interest and other financial charges incurred by the Company in connection with the borrowing of funds. 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.

j) Investments

Investments which are readily realisable 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". 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. All other investments are classified as "Non-Current Investments".

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 market value determined on individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary diminution 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.

k) Investment property

Property given on lease is shown as Investment in property under "Non-Current Investments" and is depreciated using Straight Line method.

l) Revenue recognition

i) Revenue is recognized to the extent that it can be reliably measured and there are no uncertainty about ultimate collection. Income from services is recognized with reference to achievement of milestones defined in the corresponding engagement letters or mandate letters entered with counter party which reflects the proportionate stage of completion.

ii) Initial acceptance fees is recorded as income after the achievement of the first milestone. In situations where there is no further progress on the mandate, the initial acceptance fees so received, is recorded as income immediately after 12 months from the date of debit note.

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

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

m) Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the date of the respective transactions or that approximates the actual rate at the date of transaction. Exchange differences arising on foreign currency transactions, settled during the year, are recognised in the statement of profit and loss. The premium or discount on foreign exchange forward contracts is amortized as income or expense over the life of the contract.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are reported using the foreign exchange rates as at the balance sheet date. The resultant exchange differences are recognised in the Statement of Profit & Loss. Non monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

n) Retirement and other employee benefits

i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. Retirement benefits in the form of provident fund and ESIC is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Defined benefit plans

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.

o) Taxes on income

Income tax expense comprises of current and deferred nature. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act of 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in Balance Sheet if there is convincing evidence that the Company will pay normal tax after tax holiday period and the resultant asset can be measured reliably.

p) Earnings per share

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

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

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issue including for changes effected prior to the approval of financial statements by the Board of Directors.

q) Provisions, Contingent liabilities & Contingent assets

Provision is recognised in the financial statements when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

3. SHARE CAPITAL	**31-March -2016** ₹	31-March -2015 ₹
Authorised :		
15,000,000 (P.Y : 15,000,000) equity shares of ₹ 10/- each	**150,000,000**	150,000,000
	150,000,000	150,000,000
Issued :		
11,274,417 (P.Y: 11,274,417) equity shares of ₹ 10/- each	**112,744,170**	112,744,170
	112,744,170	112,744,170
Subscribed and fully paid-up shares:		
7,018,339 (P.Y : 7,018,339) equity shares of ₹ 10/- each	**70,183,390**	70,183,390
	70,183,390	70,183,390

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :

Particulars	31-March -2016 No. of Shares	31-March -2016 Amount ₹	31-March -2015 No. of Shares	31-March -2015 Amount ₹
Equity shares at the beginning of the year	**7,018,339**	**70,183,390**	7,018,339	70,183,390
Equity shares 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 issued only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.All shares rank pari passu with regard to dividend & repayment of capital.The company declares and pays dividend 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, except in case of interim dividend. During the year ended 31st March 2016, the Company has proposed final dividend of ₹ 1/- per share (P.Y: ₹ 1/- per share) to equity shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining net assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	31-March -2016 No. of Shares	31-March -2016 % holding	31-March -2015 No. of Shares	31-March -2015 % holding
NSS Digital Media Limited	**2,932,256**	**41.78**	2,932,256	41.78
Keynote Trust	**1,451,702**	**20.68**	1,451,702	20.68
India Max Investment Fund Limited	**561,348**	**8.00**	561,348	8.00

Note : 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- 2016 ₹	31- March- 2015 ₹
Securities premium account	**230,648,293**	230,648,293
General reserve	**13,391,679**	13,391,679
Surplus in the statement of profit & loss		
At the commencement of the year	**156,759,097**	159,760,689
Add : Profit for the year	**34,769,823**	5,209,515
Less: Appropriations:		
– Proposed equity dividend	**(7,018,339)**	(7,018,339)
– Tax on proposed equity dividend	**(1,214,453)**	(1,192,767)
	183,296,128	156,759,097
	427,336,100	400,799,069

5. LONG-TERM BORROWINGS	31- March- 2016 ₹	31- March- 2015 ₹
Secured		
– Term loans from parties other than banks	**715,030**	1,694,175
	715,030	1,694,175

Notes :

(a) The Company had taken vehicle loan from the financial institution during F.Y. 2011-12,carrying interest @8.82% p.a. repayable in 59 monthly installments of ₹ 90,085/- each.

During the F.Y. 2013-14,the company had further obtained additional vehicle loan from a financial institution carrying interest @10.72% p.a, repayable in 59 monthly installments of ₹ 63,100/- each.

(b) All the above loans are secured by hypothecation of respective assets of the company.

6. DEFERRED TAX LIABILITIES (NET)	31- March- 2016 ₹	31- March- 2015 ₹
Deferred tax liabilities		
– Depreciation on fixed assets	**8,318,148**	6,526,592
	8,318,148	6,526,592
Deferred tax assets		
– Provision for leave encashment	**53,323**	47,806
– Provision for gratuity	**785,743**	838,859
– Provision for bonus	**305,221**	281,547
	1,144,287	1,168,212
	7,173,861	5,358,380

7. OTHER LONG TERM LIABILITIES	31- March- 2016 ₹	31- March- 2015 ₹
Interest free security deposits towards lease	**300,000**	300,000
	300,000	300,000

8. LONG-TERM PROVISIONS	31- March- 2016 ₹	31- March- 2015 ₹
Provision for employee benefits		
– Provision for gratuity	**1,379,102**	1,553,974
– Provision for leave encashment	**83,758**	116,108
	1,462,860	1,670,082

9. TRADE PAYABLES	31- March- 2016 ₹	31- March- 2015 ₹
Dues to micro and small enterprises	—	—
Dues to others	**760,895**	3,739,923
	760,895	3,739,923

Notes :

Details of dues to micro, small and medium enterprises as defined under MSMED Act, 2006 :

(i) 'Trade payables' includes Nil (P.Y : Nil) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

(ii) No interest was paid / payable to micro and small enterprises during the year (P.Y: Nil)

(iii) The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of parties under the MSMED and the same was relied upon by the auditors.

10. OTHER CURRENT LIABILITIES	31- March- 2016 ₹	31- March- 2015 ₹
Current maturities of long-term debts *(refer note 5)*	**979,145**	1,580,332
Advance received from customers	**2,589,036**	7,215,000
Unpaid dividend *(refer note below)*	**1,214,368**	1,159,446
Interest accrued but not due on borrowings	**1,319**	5,250
Statutory dues payable	**510,604**	409
Provision for bonus	**923,149**	911,155
	6,217,621	10,871,592

Note:

During the current year,the Company had transferred ₹ 1,02,890 (P.Y : Nil) to Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

11. SHORT-TERM PROVISIONS	31- March- 2016 ₹	31- March- 2015 ₹
Provision for employee benefits		
– Provision for gratuity *(refer note below)*	**997,400**	1,160,780
– Provision for leave encashment *(refer note below)*	**77,519**	38,605
Other provisions		
– Proposed equity dividend	**7,018,339**	7,018,339
– Tax on proposed equity dividend	**1,214,453**	1,192,767
	9,307,711	9,410,491

Notes: Disclosures as required by Accounting Standard (AS) 15 EMPLOYEE BENEFITS:

(A) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as an expense and included in "Employee benefits expenses"

Note 22 in the Statement of Profit and Loss are as under:

- Employers contribution to Provident Fund and Family Pension Scheme ₹ 18,47,929 (Previous year ₹ 1,918,041)
- Employers contribution to Employees State Insurance Scheme ₹ 22,354 (Previous year: ₹ 25,464)
- Employers contribution to Gratuity Fund ₹ 19,561 (Previous year ₹ 94,576-net credit)

(B) Defined Benefit Plans

(i) Gratuity

		31 March 2016	31 March 2015
I	**Change in the present value obligation during the year**		
	Liability at the beginning of the year	5,699,687	5,864,303
	Interest cost	450,275	535,997
	Current service cost	208,779	363,386
	Past service cost	—	—
	Benefits paid	(277,892)	(300,115)
	Actuarial gains / (losses)	(391,890)	(763,884)
	Liability at the end of the year	5,688,959	5,699,687
II	**Change in fair value of plan assets during the year**		
	Fair value of plan assets at the beginning of the year	2,984,933	2,634,128
	Expected return of plan assets	235,810	229,169
	Contributions	357,813	420,845
	Benefits paid	(277,892)	(300,115)
	Actuarial gains / (losses)	11,793	906
	Fair value of plan assets at the end of the year	3,312,457	2,984,933
	Total actuarial gains/(loss) to be recognised	403,683	764,790
III	**Recognition of Actuarial gains/(losses)**		
	Actuarial gains/(losses) to be recognised on obligation for the period	(391,890)	(763,884)
	Actuarial gains/(losses) to be recognised on assets for the period	(11,793)	(906)
	Total actuarial gain/(loss) to be recognised in statement of profit and loss	(403,683)	(764,790)
IV	**Actual return on plan assets**		
	Expected return on plan assets	235,810	229,169
	Actuarial gains / (losses)	(11,793)	(906)
	Actual return on plan assets	247,603	230,075
V	**Net asset / (liability) recognised in the balance sheet**		
	Fair value of plan assets at the end of the year	3,312,457	2,984,933
	Present value of benefit obligation as at the end of the year	(5,688,959)	(5,699,687)
	Funded status	(2,376,502)	(2,714,754)
	Unrecognised past service cost at the end of the year	—	—
	Unrecognised transitional liability at the end of the year	—	—
	Net asset / (liability) recognised in the balance sheet	(2,376,502)	(2,714,754)
VI	**Expenses recognised in the statement of profit and loss for the year**		
	Current service cost	208,779	363,386
	Interest cost	450,275	306,828
	Expected return on plan assets	(235,810)	—
	Actuarial (gain) / losses	(403,683)	(764,790)
	Past service cost (non vested benefit) recognised during the year	—	—
	Past service cost (vested benefit) recognised during the year	—	—
	Transitional liability recognised during the year	—	—
	Total expenses as per actuarial valuation recognised in the Statement of Profit & Loss	19,561	(94,576)
VII	**Balance Sheet Reconciliation**		
	Opening net liability	2,714,754	3,230,175
	Expenses recognised in the statement of profit and loss for the year	19,561	(94,576)
	Employer's contribution	(357,813)	(420,845)
	Net asset / (liability) recognised in the balance sheet	2,376,502	2,714,754
VIII	**Other details**		
	Number of members	20	21
	Salary per month	997,400	1,160,780
	Prescribed contribution for next year (12 months)	997,400	1,160,780
IX	**Actuarial assumptions:**		
	1 Discount rate	7.84%	7.90%
	2 Rate of return on plan assets	7.84%	7.90%
	3 Salary escalation	8.00%	8.00%
	4 Attrition rate	13.00%	20.67%
X	**Category of assets**		
	Government of India assets	—	—
	Corporate bonds	—	—
	Equity shares of listed companies property	—	—
	Insurer managed funds	3,312,457	2,984,933
	Others	—	—
	Total	3,312,457	2,984,933
XI	**Classification as per schedule III of the Companies Act,2013**		
	Current liability *(refer note 11)*	997,400	1,160,780
	Non- current liability *(refer note 8)*	1,379,102	1,553,974
		2,376,502	2,714,754

XII. Particulars	**31 March 2016**	**31 March 2015**	**31 March 2014**	**31 March 2013**	**31 March 2012**
Present value of benefit obligation	5,688,959	5,699,687	5,864,303	6,769,954	6,108,883
Fair value of plan assets	3,312,457	2,984,933	2,634,128	5,431,178	4,750,756
Surplus / (Deficit)	(2,376,502)	(2,714,754)	(3,230,175)	(1,338,776)	(1,358,127)
Experience adjustment on plan liability (gains)/losses	(443,113)	(542,508)	1,963,668	(531,484)	(729,151)
Experience adjustment on plan assets (losses)/gains	11,793	906	(214,673)	31,034	74,513

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

Note: 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 disclosures for the same has been made.

(ii) Leave encashment

As per the Company's policy, a sum of ₹ 490,550 (Previous year : ₹ 297,012) has been paid towards compensated absences; calculated on the basis of unutilised leave. During the year, the Company has provided to the extent of ₹161,277 (Previous Year: ₹154,713) as per actuarial valuation done by independent actuary.

Note : Detailed disclosures of compensated absence is not given in terms of para 132 of AS-15 "Employee Benefits".

12. FIXED ASSETS (₹)

Sr. No.	Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance as at 01 April, 2015	Additions	Disposals/ Adjustments	Balance as at 31March, 2016	Balance as at 01 April, 2015	Depreciation for the year	Disposals / Adjustments during the year (Refer note 1)	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
Tangible Assets											
(a)	Premises	89,134,571	—	—	89,134,571	4,216,838	1,458,849	—	5,675,687	83,458,884	84,917,733
		(89,134,571)	—	—	*(89,134,571)*	*(2,854,041)*	*(1,457,585)*	*94,787*	*(4,216,838)*	*(84,917,733)*	*(86,280,530)*
(b)	Motor Cars	10,615,427	—	—	10,615,427	4,218,319	1,173,394	—	5,391,712	5,223,715	6,397,108
		(10,615,427)	—	—	*(10,615,427)*	*(3,052,783)*	*(1,008,466)*	*(157,070)*	*(4,218,319)*	*(6,397,108)*	*(7,562,644)*
(c)	Furniture & fixtures	8,487,115	—	—	8,487,115	2,317,197	812,010	—	3,129,207	5,357,908	6,169,918
		(8,487,115)	—	—	*(8,487,115)*	*(1,282,945)*	*(537,234)*	(497,018)	*(2,317,197)*	*(6,169,918)*	*(7,204,170)*
(d)	Air conditioners	2,028,570	—	—	2,028,570	764,976	334,689	—	1,099,665	928,905	1,263,594
		(2,028,570)	—	—	*(2,028,570)*	*(431,201)*	*(96,357)*	*(237,418)*	*(764,976)*	*(1,263,594)*	*(1,597,369)*
(e)	Office equipments	935,955	11,529	—	947,484	366,566	270,074	—	636,641	310,843	569,389
		(935,955)	—	—	*(935,955)*	*(90,420)*	*(44,458)*	*(231,688)*	*(366,566)*	*(569,389)*	*(845,535)*
(f)	Computers & peripherals	3,276,997	136,854	—	3,413,851	2,956,032	195,210	—	3,151,242	262,609	320,965
		(3,199,197)	*(77,800)*	—	*(3,276,997)*	*(2,127,209)*	*(524,497)*	*(304,325)*	*(2,956,032)*	*(320,965)*	*(1,071,988)*
(g)	Electrical fittings	1,337,699	—	—	1,337,699	267,337	142,908	—	410,245	927,454	1,070,362
		(1,337,699)	—	—	*(1,337,699)*	*(124,819)*	*(63,541)*	*(78,978)*	*(267,337)*	*(1,070,362)*	*(1,212,880)*
		115,816,334	**148,383**	**—**	**115,964,717**	**15,107,264**	**4,387,133**	**—**	**19,494,400**	**96,470,317**	**100,709,069**
		(115,738,534)	***(77,800)***	**—**	***(115,816,334)***	***(9,963,417)***	***(3,732,137)***	***(1,411,710)***	***(15,107,264)***	***(100,709,069)***	***(105,775,117)***

Notes:

1 During the previous year,the management of the Company has reviewed and determined remaining useful life of the tangible fixed assets in accrodance with the provisions of Schedule II,to the Companies Act,2013 and depreciation has been charged as against the earlier practice of charging depreciation as per Schedule XIV to the Companies Act,1956.Due to this change in depreciation was higher by ₹ 11,68,214.

In respect of assets where the remaining useful life was "Nil"as per Schedule II to the Companies Act,2013,carrying amount of ₹ 2,43,496 (after retaining the residual value as on 1st April 2014),had been charged to the Statement of Profit & Loss.

Both of the above mentioned amounts have been disclosed as "Exceptional items" in the Statement of Profit & Loss in the previous year.

2 Figures in brackets indicate previous year's figures

13. NON-CURRENT INVESTMENTS
(Valued at cost, unless stated otherwise)

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March, 2016	31 March, 2015	Classification	Status	Face Value	Amount 31 March, 2016	31 March, 2015
(A)	**Investment property (at cost less depreciation)**								
	Gross cost of property							700,000	700,000
	Less: Accumulated depreciation							283,873	268,213
	Net book value							**416,127**	**431,787**
(B)	**Investment in Equity Instruments**								
	Trade Investments								
1	Keynote Corporate Services Ltd (held by Keynote Trust)	Others	1,451,702	1,451,702	Quoted	Fully paid up	10	12,970,873	12,970,873
2	Keynote Capitals Limited	Subsidiary	11,266,667	11,266,667	Unquoted	Fully paid up	10	175,500,010	175,500,010
3	Keynote Fincorp Limited	Subsidiary	2,000,000	2,000,000	Unquoted	Fully paid up	10	37,500,000	37,500,000
4	Investment in Keynote Trust (initial corpus fund)	Others	—	—	Unquoted	Fully paid up		20,000	20,000
5	Indo Count India Limited	Others	1,731	9,900	Quoted	Fully paid up	10	39,961	212,355
6	Coromandal Engineering Co Limited	Others	20,100	20,100	Quoted	Fully paid up	10	402,000	402,000
7	Scana Point Limited	Others	400	400	Quoted	Fully paid up	2	1,156	1,156
8	Mitcon Consultancy & Engineering Services Limited	Others	40,000	40,000	Quoted	Fully paid up	10	2,440,000	2,440,000
9	Centerac Emarketplaces Private Limited	Others	1,130	—	Unquoted	Fully paid up	10	1,000,294	—
10	Dugar Finance Limited	Others	700	700	Unquoted	Fully paid up	10	2,870	2,870
11	Dugar Housing Limited	Others	800	800	Unquoted	Fully paid up	10	9,520	9,520
12	Stella Exports Limited	Others	10,000	10,000	Unquoted	Fully paid up	3	30,000	30,000
13	Eagle Eye Research & Media Private Limited	Others	9,600	9,600	Unquoted	Fully paid up	10	3,240,000	3,240,000
								233,156,684	**232,328,784**
(C)	**Investment in Debentures**								
	ECL Finance Limited		10,000	10,000	Unquoted	Fully paid up	1,000	10,000,000	10,000,000
								10,000,000	**10,000,000**
Total Non-Current Investments (A+B+C)								**243,572,811**	**242,760,571**

Particulars	31 March 2016	31 March 2015
Aggregate amount of quoted investments	**15,853,989**	16,026,384
Market Value of quoted investments	**45,640,849**	42,788,620
Aggregate amount of unquoted investments	**227,302,694**	226,302,400
Aggregate provision for diminution in value of investments	—	—

14. LONG TERM LOANS & ADVANCES	31- March- 2016 ₹	31- March- 2015 ₹
Unsecured, considered good		
Security deposits	**310,770**	310,600
Loans to employees	**85,956**	73,356
Prepaid expenses	**—**	11,586
Advance tax and tax deducted at source *(Net of provision for tax:₹ 6,82,07,684, previous year:₹ 8,01,24,131)*	**1,181,635**	3,048,782
Total	**1,578,361**	3,444,324

15. CURRENT INVESTMENTS
(valued at lower of cost and market value)

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March, 2016	31 March, 2015	Classification	Status	Face Value	Amount 31 March, 2016	31 March, 2015
	Trade Investments								
(A)	**Investment in Equity Instruments**								
1	Ajantha Pharma Limited	Others	—	115	Quoted	Fully Paidup	2	—	75,666
2	Bharti Infratel Limited	Others	—	776	Quoted	Fully Paidup	10	—	224,609
3	Capital First Limited	Others	888	522	Quoted	Fully Paidup	10	285,095	137,246
4	Cox & Kings Limited	Others	—	778	Quoted	Fully Paidup	5	—	235,144
5	Gati Limited	Others	—	2,222	Quoted	Fully Paidup	2	—	354,141
6	Godrej Properties Limited	Others	2,600	—	Quoted	Fully Paidup	5	678,322	—
7	Hatsun Agro Product Limited	Others	1,576	—	Quoted	Fully Paidup	1	504,103	—
8	HDFC Bank Limited	Others	981	65	Quoted	Fully Paidup	2	986,527	52,881
9	Heritage Foods (India) Limited	Others	380	—	Quoted	Fully Paidup	10	149,838	—
10	Indo Count Industries Limited	Others	269	—	Quoted	Fully Paidup	10	155,903	—
11	Indusind Bank Limited	Others	—	80	Quoted	Fully Paidup	10	—	43,538
12	ITC Limited	Others	1,200	—	Quoted	Fully Paidup	1	388,134	—
13	Jenburkt Pharmaceuticals Limited	Others	638	638	Quoted	Fully Paidup	10	125,415	125,415
14	MoldTek Packaging Limited	Others	3,180	1,876	Quoted	Fully Paidup	5	242,634	338,766
15	Motherson Sumi Systems Limited	Others	—	413	Quoted	Fully Paidup	1	—	157,516
16	Orbit Exports Limited	Others	—	194	Quoted	Fully Paidup	10	—	54,376
17	Kotak Mahindra Bank Limited	Others	1,100	—	Quoted	Fully Paidup	5	513,034	—
18	Majesco Limited	Others	632	—	Quoted	Fully Paidup	5	159,766	—
19	Montecarlo Fashions Limited	Others	403	—	Quoted	Fully Paidup	10	140,889	—
20	Mastek Limited	Others	—	401	Quoted	Fully Paidup	5	—	155,392
21	Lyka Labs Limited	Others	—	596	Quoted	Fully Paidup	10	—	22,697
22	EICHER Motors Limited	Others	—	13	Quoted	Fully Paidup	10	—	200,168
23	PTC India Financial Services Limited	Others	—	12,217	Quoted	Fully Paidup	10	—	518,273
24	Poddar Developers Limited	Others	67	—	Quoted	Fully Paidup	10	76,045	—
25	Pokarnal Limited	Others	185	—	Quoted	Fully Paidup	10	139,675	—
26	Ratnamani Metals & Tubes Limited	Others	—	110	Quoted	Fully Paidup	2	—	46,434
27	Sarla Performance Fibres Limited	Others	5,200	452	Quoted	Fully Paidup	1	172,371	143,455
28	Sun Pharmaceuticals Industries Limited	Others	288	215	Quoted	Fully Paidup	1	82,930	171,210
29	Shemaroo Entertainment Limited	Others	1,402	—	Quoted	Fully Paidup	10	331,973	—
30	Sathavahana Ispat Limited	Others	7,800	—	Quoted	Fully Paidup	10	299,075	—
31	Info Edge (India) Limited	Others	450	—	Quoted	Fully Paidup	10	346,230	—
32	Granules India Limited	Others	1,208	—	Quoted	Fully Paidup	1	144,900	—
33	GRP Limited	Others	325	—	Quoted	Fully Paidup	10	318,885	—
34	Biologicals Corporation Limited	Others	7,500	—	Quoted	Fully Paidup	10	138,375	—
35	Aarti Industries Limited	Others	217	—	Quoted	Fully Paidup	5	101,634	—
36	SRF Limited	Others	174	—	Quoted	Fully Paidup	10	184,831	—
37	Tata Motors Limited	Others	—	504	Quoted	Fully Paidup	2	—	202,399
38	Transport Corporation of India Limited	Others	—	652	Quoted	Fully Paidup	2	—	145,379
39	Shree Cement Limited	Others	12	—	Quoted	Fully Paidup	10	145,387	—
40	SQS India BFSI Limited	Others	160	—	Quoted	Fully Paidup	10	145,440	—
41	Sun Pharmaceuticals Industries Limited	Others	322	—	Quoted	Fully Paidup	1	92,720	—
42	Page Industries Limited	Others	22	—	Quoted	Fully Paidup	10	267,536	—
43	Pidilite Industries Limited	Others	446	—	Quoted	Fully Paidup	1	256,760	—

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March, 2016	31 March, 2015	Classification	Status	Face Value	Amount 31 March, 2016	31 March, 2015
44	P I Industries Limited	Others	410	—	Quoted	Fully Paidup	1	232,634	—
45	Motherson Sumi Sytems Limited	Others	979	—	Quoted	Fully Paidup	1	247,750	—
46	Mahindra Holidays & Resorts (I) Limited	Others	438	—	Quoted	Fully Paidup	10	169,446	—
47	Mahindra & Mahindra Financial Services Limited	Others	1,148	—	Quoted	Fully Paidup	2	270,968	—
48	Lupin Limited	Others	164	—	Quoted	Fully Paidup	2	242,761	—
49	Kotak Mahindra Bank Limited	Others	388	—	Quoted	Fully Paidup	5	257,637	—
50	Indusind Bank Limited	Others	284	—	Quoted	Fully Paidup	10	269,017	—
51	Havells India Limited	Others	786	—	Quoted	Fully Paidup	1	204,246	—
52	Godrej Properties Limited	Others	414	—	Quoted	Fully Paidup	5	122,668	—
53	Eicher Motors Limited	Others	14	—	Quoted	Fully Paidup	10	249,839	—
54	Dabur India Limited	Others	818	—	Quoted	Fully Paidup	1	203,805	—
55	Britannia Industries Limited	Others	69	—	Quoted	Fully Paidup	2	184,613	—
56	Bajaj Finance Limited	Others	48	—	Quoted	Fully Paidup	10	238,913	—
57	Bajaj Finserv Limited	Others	160	—	Quoted	Fully Paidup	5	272,600	—
58	Bharat Forge Limited	Others	216	—	Quoted	Fully Paidup	2	188,525	—
59	Ajanta Pharma Limited	Others	155	—	Quoted	Fully Paidup	2	216,705	—
60	Tasty Bite Eatable Limited	Others	177	—	Quoted	Fully Paidup	10	284,368	—
61	Shree Pushkar Chemicals Ltd	Others	5053	—	Quoted	Fully Paidup	10	569,609	—
62	Poddar Housing and Development Limited	Others	8	—	Quoted	Fully Paidup	10	9,080	—
63	Dwarkesh Sugar Industries Limited	Others	2512	—	Quoted	Fully Paidup	10	247,947	—
64	City Union Bank Limited	Others	7440	—	Quoted	Fully Paidup	1	685,591	—
65	Tokyo Plast International Limited	Others	5104	—	Quoted	Fully Paidup	10	223,300	—
66	Torrent Power Limited	Others	697	—	Quoted	Fully Paidup	10	160,415	—
67	Steelcast Limited	Others	2250	—	Quoted	Fully Paidup	5	131,507	—
68	Piramal Enterprises Limited	Others	351	—	Quoted	Fully Paidup	2	329,851	—
69	Pearl Global Industries Limited	Others	1048	—	Quoted	Fully Paidup	10	238,597	—
70	Manappuram Finance Limited	Others	7499	—	Quoted	Fully Paidup	2	240,807	—
71	Hindustan Media Ventures Limited	Others	674	—	Quoted	Fully Paidup	10	168,250	—
72	Garware Wall Ropes Limited	Others	256	—	Quoted	Fully Paidup	10	83,965	—
73	Amara Raja Batteries Limited	Others	252	—	Quoted	Fully Paidup	1	221,154	—
74	Asian Paints Limited	Others	324	—	Quoted	Fully Paidup	1	275,385	—
75	Astral Poly Technik Limited	Others	531	—	Quoted	Fully Paidup	1	222,754	—
76	Astral Polytechnik Limited	Others	2,050	—	Quoted	Fully Paidup	1	849,082	—
77	VMart Retail Limited	Others	—	132	Quoted	Fully Paidup	10	—	51,314
78	Wim Plast Limited	Others	371	343	Quoted	Fully Paidup	10	434,276	378,975
79	JBF Industries Limited	Others	—	1,476	Quoted	Fully Paidup	10	—	312,026
80	Infrastructure Development Finance Company Limited	Others	—	1,288	Quoted	Fully Paidup	10	—	214,903
81	Fiem Industries Limited	Others	463	533	Quoted	Fully Paidup	10	319,529	336,723
82	Control Print Limited	Others	1,628	793	Quoted	Fully Paidup	10	259,483	158,124
								17,101,502	**4,856,770**
(B)	**Investment in Mutual Funds**								
1	HDFC Liquid Fund - Post IPO Collection A/c	Others	3,727	804,844	Unquoted	Fully Paidup	10	9,625,255	20,787,407
2	HDFC Gilt Fund Long Term growth plan	Others	181,948	181,948	Unquoted	Fully Paidup	10	5,000,000	5,000,000
3	HDFC Liquid Fund	Others	613	12,067	Unquoted	Fully Paidup	10	625,174	123,000
4	Caprediem Capital Partners Fund	Others	200	—	Unquoted	Fully Paidup	1,000	2,000,000	—
5	Sundram Money Fund	Others	3,003,392	—	Unquoted	Fully Paidup	10	94,600,000	—
6	ICICI Prudential Saving Fund - Regular growth plan	Others	—	34,665	Unquoted	Fully Paidup	10	—	7,000,000
7	Reliance Liquid Fund-Treasury - Growth plan option	Others	1,566	825	Unquoted	Fully Paidup	10	5,645,317	2,706,364
								117,495,746	**35,616,771**
	Total Current Investments (A + B)							**134,597,248**	**40,473,541**

Particulars	31 March 2016	31 March 2015
Aggregate amount of quoted investments	17,101,502	4,856,770
Market value of quoted investments	20,021,475	6,150,657
Aggregate amount of unquoted investments	117,495,746	35,616,771
Aggregate provision for diminution in value of investments	1,444,396	128,621

16.TRADE RECEIVABLES	31- March- 2016 ₹	31- March- 2015 ₹
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	**8,133,884**	649,248
Others	**1,625,650**	15,680,548
	9,759,534	16,329,796

17.CASH AND BANK BALANCES	31- March- 2016 ₹	31- March- 2015 ₹
Cash and cash equivalents		
– Cash on hand	**354,342**	423,524
– Balances with banks		
– In current accounts	**6,623,352**	3,308,458
– In fixed deposits accounts (with original maturity of 3 months or less from the reporting date)	**470,345**	440,557
	7,448,039	4,172,539
Other bank balances		
– In fixed deposits with maturity of more than 3 months but less than 12 months from the reporting date	**640,484**	1,777,049
– In unpaid dividend account	**1,214,368**	1,159,446
	1,854,852	2,936,495
	9,302,891	7,109,034

18.SHORT-TERM LOANS AND ADVANCES	31- March- 2016 ₹	31- March- 2015 ₹
(Unsecured, considered good)		
Short term loans and deposits :		
– To related parties *(refer note 30)*	**14,318,428**	70,213,998
– To others	**10,000,000**	10,000,000
CENVAT credit	**148,418**	207,329
Prepaid expenses	**207,328**	216,256
Loans to employees	**130,000**	315,204
Advances to service providers	**1,609,162**	2,989,440
Other advances	**145,708**	390,520
	26,559,044	84,332,747

19.OTHER CURRENT ASSETS	31- March- 2016 ₹	31- March- 2015 ₹
(Unsecured considered good)		
Interest accrued on		
– Short term loans and deposits	**1,611,311**	8,853,345
– Fixed deposits	**5,951**	14,675
	1,617,262	8,868,020

20.REVENUE FROM OPERATIONS	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Sale of services		
– Income from Corporate Finance	**13,975,648**	23,119,000
– Income from ESOP Advisory	**4,290,000**	8,727,328
– Income from Merchant Banking	**52,804,791**	8,876,000
	71,070,439	40,722,328
Other operating revenue		
– Reimbursement of expenses :		
– Income from Corporate Finance	**60,000**	25,000
– Income from ESOP Advisory	**2,000**	50,827
– Income from Merchant Banking	**448,986**	68,883
	510,986	144,710
	71,581,425	40,867,038

21.OTHER INCOME	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Interest income on		
– Short term loans and deposits	**11,272,732**	11,019,880
– Fixed deposits	**221,981**	171,214
Dividend income from investments	**1,740,309**	1,519,402
Net Profit on sale of investments *(net of loss ₹622,604, previous year :₹34,520)*	**10,707,744**	2,931,512
Rent income	**1,485,410**	1,461,060
Net profit on foreign exchange fluctuations	**40,790**	—
Sundry balances written back	**1,019,495**	—
Miscellaneous income *(refer note below)*	**1,717,331**	398,162
	28,205,792	17,501,230

Note:
The Company had paid remuneration of ₹16,50,000 in F.Y. 2013-14 to one of its Director who had rendered services in his professional capacity. Subsequent to such payments, it had applied to Central Government to seek its approval in accordance with the provisions of Section 309 of Companies Act, 1956. However, the said application was rejected by Central Government on 28 July 2014. Post rejection, the Company has reapplied to Central Government on 26 September 2014 for the waiver of recovery of such remuneration from the said director. As per direction of the Central Governement, the Company has recovered the said amount from the Director, during the current year.

22.EMPLOYEE BENEFITS EXPENSE	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Salaries, bonus and allowances	**21,095,198**	21,148,198
Contribution to provident fund and other funds	**1,870,283**	1,943,505
Gratuity	**19,561**	(94,576)
Leave encashment	**456,828**	148,548
Staff welfare expenses	**931,245**	1,244,374
	24,373,115	24,390,049

23.FINANCE COSTS	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Interest Expenses	**253,957**	503,416
	253,957	503,416

24.DEPRECIATION	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Depreciation on		
– Tangible fixed assets	**4,387,133**	3,732,137
– Investment property	**15,660**	6,721
	4,402,793	3,738,858

25.OTHER EXPENSES	For the year ended 31- March- 2016 ₹		For the year ended 31- March- 2015 ₹	
Electricity charges	**349,422**		340,678	
Donations	**48,000**		—	
Advertisement and Business promotion expenses	**648,738**		257,712	
Motor car expenses	**770,579**		1,226,634	
Net loss on foreign exchange fluctuations	**—**		6,029	
Rates and taxes	**908,475**		85,925	
Insurance	**221,080**		249,969	
Repairs and maintenance				
– Buildings	**1,744,349**		1,591,755	
– Others	**898,481**	2,642,829	847,936	2,439,691

25.OTHER EXPENSES (Contd..)

	For the year ended 31- March- 2016 ₹		For the year ended 31- March- 2015 ₹
Travelling and conveyance		**1,311,317**	1,264,310
Office expenses		**140,540**	—
Communication expenses		**657,017**	590,607
Printing and stationery		**833,961**	202,454
Provision for diminution in value of current investments		**1,444,396**	128,621
Legal and professional fees		**9,730,352**	9,920,691
Portfolio management charges		**284,004**	269,288
Directors' sitting fees		**35,000**	40,000
Postage and telegraph		**151,934**	68,575
Auditors' Remuneration (excluding applicable taxes)			
– Statutory audit fees	**200,000**		450,000
– Tax audit fees	**50,000**		50,000
– Other services	**150,000**		150,000
– Reimbursement of expenses	**7,000**		8,385
		407,000	658,385
Membership and subscription		**741,495**	1,305,825
Bad debts		**970,996**	654,736
Miscellaneous expenses		**307,789**	712,401
		22,604,924	20,422,531

26. CONTINGENT LIABILITIES

(to the extent not provided for)

(a) The Company has provided corporate guarantees aggregating to ₹ 220,000,000 (Previous year : ₹ 220,000,000) to the bankers of its subsidiary, Keynote Capitals Limited towards BSE & NSE operations.

(b) During the year the Company has received a communication from the Ruby Mills Limited (premises in which the Company owns office space) requesting the Company to make the payment of Company's share of property tax payable to Brihanmumbai Mahanagar Palika amounting to ₹ 88,04,205/- for the period between October 2011 to March 2015 of which 50% is payable by Keynote Capitals Limited, subsidiary company. The Company has represented to Brihanmumbai Mahanagar Palika on the grounds that the Company is entitled to exemption under Information Technology Policy of Government of Maharashtra as it has ITES registration in place besides there being discrepancy in the carpet area of its premises,basis which the share of such tax amounts to around ₹ 15,00,000 only. The Company has submitted relevant documents substantiating its submissions to the concerned Regulatory Authority. Accordingly, based on the calculations made by the Company, an amount of ₹ 7,50,000/- has been paid to Brihanmumbai Mahanagar Palika(further amount of ₹ 7,50,000/- is separately paid by the subsidiary company) and charged to statement of Profit & Loss.Pending response from the Brihanmumbai Mahanagar Palika, no further provision has been recognised by the Company.

27. SEGMENT REPORTING

As per AS 17 para 4, segment has been disclosed in Consolidated Financial Statements, Hence no separate disclosures have been given in standalone financial statements.

28. EARNINGS PER SHARE

The disclosure requirements with respect of Accounting Standard (AS) 20 on "Earnings per share" are as follows:

Particulars	31 March 2016	31 March 2015
Net profit after tax	**34,769,823**	5,209,515
Number of equity shares outstanding at the end of the year (Face value of ₹ 10/- each)	**7,018,339**	7,018,339
Earnings per share: Basic and diluted (₹)	**4.95**	0.74

29. LEASES

The following are the disclosures in accorandance with Accounting Standard (AS) 19 on "Leases" :

Operating lease as lessor

The Company has given a commercial property on non-cancellable operating lease. The corresponding lease agreement provides for an option to the Company to renew the lease period at the end of non-cancellable period.Accordingly, lease rentals amounting to ₹ 14,85,410 (Previous Year : ₹ 14,61,060) has been recognised as income in the Statement of Profit and Loss as Other Income.

There are no exceptional / restrictive covenants in the lease agreement.

The future minimum lease payments in respect of lease property is as follows:

Lease payments	31 March 2016	31 March 2015
Not later than one year	**1,607,160**	1,485,410
Later than one year but not later than 5 years	**1,205,370**	2,812,530
Later than 5 years	—	—

30. DISCLOSURES AS REQUIRED BY ACCOUNTING STANDARD (AS) 18 - RELATED PARTY DISCLOSURES :

(i) Category of related parties

(a) Enterprise where control exist

Subsidiaries:

Keynote Capitals Limited

Keynote Fincorp Limited

Keynote Commodities Limited (step down subsidiary)

(b) Key Management Personnel:

Mr. B.Madhuprasad-Chairman

Mr. Vineet Suchanti-Managing Director

Mr. Uday S. Patil-Director & Chief Financial Officer

Ms. Saloni Maru - Company Secretary *(from 25 February 2016)*

Ms.Shruti Deshmukh - Company Secretary *(upto 11 February 2016)*

Mr.Yatin Sangani - Company Secretary *(upto 18 October 2014)*

(c) Relatives of Key Management Personnel:

Mrs. Pushpa Suchanti

Mrs. Rinku Suchanti

Mr.Nirmal Suchanti

(d) Enterprise over which Key Management Personnel exercise significant influence:

Concept Communication Limited

Concept Production Limited

Nirmal Suchanti - HUF

Keynote Trust

NSS Digital Media Limited

Eagle Eye Research & Media Private Limited

30. Disclosures as required by Accounting Standard (AS) 18 - Related Party Disclosures (Contd...):

ii) Transactions with related parties:

(Amount in Rupees)

Particulars	Name of the related Party	Subsidiary Company		Key Management Personnel/Relatives of key managerial personnel		Enterprise over which key Management personnel exercise Significant Influence		Total	
		2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
Receiving of services	Concept Communication Limited	—	—	—	—	121,390	86,905	121,390	86,905
		—	**—**	**—**	**—**	**121,390**	**86,905**	**121,390**	**86,905**
Managerial Remuneration	Mr. Vineet Suchanti	—	—	4,748,306	4,691,023	—	—	4,748,306	4,691,023
Managerial Remuneration	Mr. Uday S. Patil	—	—	3,901,366	4,060,300	—	—	3,901,366	4,060,300
Remuneration	Ms.Saloni Maru	—	—	39,179	—	—	—	39,179	—
Remuneration	Ms.Shruti Deshmukh	—	—	79,791	—	—	—	79,791	—
Remuneration	Mr.Yatin Sangani	—	—	—	144,283	—	—	—	144,283
		—	**—**	**8,768,642**	**8,895,606**	**—**	**—**	**8,768,642**	**8,895,606**
Professional Fees	Mr. B.Madhuprasad	—	—	1,050,000	2,100,000	—	—	1,050,000	2,100,000
		—	**—**	**1,050,000**	**2,100,000**	**—**	**—**	**1,050,000**	**2,100,000**
Recovery of excess managerial remuneration	Mr. B.Madhuprasad	—	—	1,650,000	—	—	—	1,650,000	—
		—	**—**	**1,650,000**	**—**	**—**	**—**	**1,650,000**	**—**
Dividend paid	Keynote Trust	—	—	—	—	1,451,702	1,451,702	1,451,702	1,451,702
Dividend paid	Mrs. Pushpa Suchanti	—	—	132,308	132,308	—	—	132,308	132,308
Dividend paid	Mrs. Rinku Suchanti	—	—	3,802	3,802	—	—	3,802	3,802
Dividend paid	Mr. B.Madhuprasad	—	—	48,550	48,550	—	—	48,550	48,550
Dividend paid	Mr. Vineet Suchanti	—	—	11,977	11,977	—	—	11,977	11,977
Dividend paid	Mr.Nirmal Suchanti	—	—	117,647	117,647	—	—	117,647	117,647
Dividend paid	Concept Production Limited	—	—	—	—	241,600	241,600	241,600	241,600
Dividend paid	NSS Digital Media Limited	—	—	—	—	2,932,256	2,932,256	2,932,256	2,932,256
Dividend paid	Nirmal Suchanti - HUF	—	—	—	—	282,499	282,499	282,499	282,499
		—	**—**	**314,284**	**314,284**	**4,908,057**	**4,908,057**	**5,222,341**	**5,222,341**
Dividend received	Keynote Trust	—	—	—	—	1,451,702	1,451,702	1,451,702	1,451,702
		—	**—**	**—**	**—**	**1,451,702**	**1,451,702**	**1,451,702**	**1,451,702**
Security deposit paid	Mr. B.Madhuprasad	—	—	—	300,000	—	—	—	300,000
		—	**—**	**—**	**300,000**	**—**	**—**	**—**	**300,000**
Interest received	Eagle Eye Research & Media Private Limited	—	—	—	—	21,087	470	21,087	470
Interest received	Concept Communication Limited	—	—	—	—	8,247,145	7,946,301	8,247,145	7,946,301
		—	**—**	**—**	**—**	**8,268,232**	**7,946,771**	**8,268,232**	**7,946,771**
Loans and advances given	Eagle Eye Research & Media Private Limited	—	—	—	—	172,000	65,000	172,000	65,000
Loans given	Concept Communication Limited	—	—	—	—	—	20,000,000	—	20,000,000
Advance given	Keynote Trust	—	—	—	—	10,000	10,000	10,000	10,000
		—	**—**	**—**	**—**	**182,000**	**20,075,000**	**182,000**	**20,075,000**
Loans repaid by	Concept Communication Limited	—	—	—	—	56,077,570	—	56,077,570	—
		—	**—**	**—**	**—**	**56,077,570**	**—**	**56,077,570**	**—**
Reimbursement of expenses	Mr. Vineet Suchanti	—	—	2,500	137,402	—	—	2,500	137,402
Reimbursement of expenses	Mr. B.Madhuprasad	—	—	19,401	—	—	—	19,401	—
Reimbursement of expenses	Mr. Uday S. Patil	—	—	2,500	2,500	—	—	2,500	2,500
Reimbursement of expenses	Keynote Capitals Limited	1,184,501	109,493	—	—	—	—	1,184,501	109,493
		1,184,501	**109,493**	**24,401**	**139,902**	**—**	**—**	**1,208,902**	**249,395**
Outstanding balances :									
Loans given	Concept Communication Limited	—	—	—	—	13,922,430	70,000,000	13,922,430	70,000,000
Loans and advances given	Eagle Eye Research & Media Private Limited	—	—	—	—	237,000	65,000	237,000	65,000
Loans and advances given	Keynote Trust	—	—	—	—	158,998	148,998	158,998	148,998
		—	**—**	**—**	**—**	**14,318,428**	**70,213,998**	**14,318,428**	**70,213,998**
Corporate gaurantee given	Keynote Capitals Limited	220,000,000	220,000,000	—	—	—	—	220,000,000	220,000,000
		220,000,000	**220,000,000**	**—**	**—**	**—**	**—**	**220,000,000**	**220,000,000**

31. THE PROVISIONS MADE DURING THE YEAR ENDED 31 MARCH 2016 COMPRISES OF THE FOLLOWING :

Particulars	Balance as at 01 April , 2015	Provisions made during the year	Reversal of provisions / payments during the year	Balance as at 31 March, 2016
Bonus	911,155	1,857,071	1,845,077	923,149
	(1,277,032)	*(1,415,810)*	*(1,781,687)*	*(911,155)*
Gratuity	2,714,754	60,360	277,892	2,376,502
	(3,230,175)	*—*	*(515,421)*	*(2,714,754)*
Leave encashment	154,713	456,828	450,264	161,277
	(303,177)	*(148,548)*	*(297,012)*	*(154,713)*

(Figures in brackets indicate previous year's figures)

32. EXPENDITURE IN FOREIGN CURRENCY CHARGED TO STATEMENT OF PROFIT & LOSS:

Particulars	31 March 2016	31 March 2015
Travelling and conveyance	**81,696**	220,493
	81,696	220,493

33. EARNINGS IN FOREIGN CURRENCY

	31 March 2016	31 March 2015
Income from ESOP Advisory	**—**	2,117,414
Income from Corporate Finance	**2,585,148**	2,400,000
	2,585,148	4,517,414

34. PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURES

Particulars	Foreign currency	Amount in foreign currency		Amount in Indian Currency	
		31 March 2016	31 March 2015	**31 March 2016**	31 March 2015
Trade receivables	USD	3,098.34	3,098.34	201,254	185,382

35. DISCLOSURE AS PER CLAUSE 32 OF THE LISTING AGREEMENT

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 Limited	—	—
Keynote Fincorp Limited	—	—

36. The previous year's financial statements have been audited by a firm other than S M S R & Co LLP.

37. The following figure pertaining to the previous year have been regrouped or reclassified during the current year :

Nature of Item	Amount	Current Year Disclosure	Previous Year Disclosure
Creditors for expenses	3,739,923	Trade payables	Other current liabilities
Provision for bonus	911,155	Other current liabilities	Short-term provisions

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration
No: 110592W/W100094

For and on behalf of the Board of Directors
Keynote Corporate Services Limited

Sd/-
Ravi Kapoor
Partner
Membership No : 040404

Sd/-
Vineet Suchanti
Managing Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Saloni Maru
Company Secretary

Date : 26th May 2016
Place : Mumbai

Date : 26th May 2016
Place : Mumbai

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Particulars	For the Year Ended 31st March 2016 ₹	For the Year Ended 31st March 2015 ₹
(A)	**Cash Flow From Operating Activities**		
	Profit before tax	**48,152,428**	7,901,704
	Adjustments for		
	Depreciation	**4,402,793**	5,150,568
	Provision for diminution in value of current investments	**1,444,396**	128,621
	Interest expenses	**253,957**	503,416
	Sundry balances written back	**(232,835)**	—
	Net Profit on sale of investments	**(10,707,744)**	(2,931,512)
	Dividend income	**(1,740,309)**	(1,519,402)
	Interest Income	**(11,494,713)**	(11,191,094)
	Rental Income	**(1,485,410)**	(1,461,060)
	Unrealised foreign exchange gain	**(15,872)**	—
	Operating profit before working capital changes	**28,576,691**	(3,418,760)
	Adjustment for working capital changes		
	(Increase)/decrease in trade and other receivables	**6,586,134**	(11,526,008)
	(Increase)/decrease in short-term loans and advances	**57,773,703**	(23,417,152)
	(Increase)/decrease in other current assets	**7,250,758**	(5,454,494)
	(Increase)/decrease in long-term loans and advances	**(1,184)**	(346,186)
	Increase/(decrease) in long- term provisions	**(207,222)**	(405,845)
	Increase/(decrease) in short- term provisions	**(124,466)**	(623,917)
	Increase/(decrease) in trade payables	**(2,979,028)**	(1,004,614)
	Increase/(decrease) in other long- term liabilities	**—**	300,000
	Increase/(decrease) in other current liabilities	**(4,653,971)**	2,056,056
	Cash generated / (used) in operations	**92,221,415**	(43,840,920)
	Taxes paid	**(9,467,141)**	(3,543,490)
	Net cash generated from / (used) in operating activities (A)	**82,754,274**	(47,384,411)
(B)	**Cash Flow From Investing Activities**		
	Purchase of fixed assets	**(148,383)**	(77,800)
	Purchase of investments	**(96,396,003)**	(50,602,162)
	Bank deposits placed (net)	**1,081,643**	(282,189)
	Sale of investments (net)	**10,707,744**	2,931,512
	Rent received	**1,485,410**	1,461,060
	Interest received	**11,494,713**	11,191,094
	Dividend received	**1,740,309**	1,519,402
	Net cash generated from / (used) in investing activities (B)	**(70,034,567)**	(33,859,083)
(C)	**Cash Flow From Financing Activities**		
	Dividend paid	**(7,018,339)**	(7,018,339)
	Dividend distribution tax paid	**(1,192,767)**	(1,192,767)
	Interest paid	**(253,957)**	(503,416)
	Repayment of borrowings	**(979,145)**	(1,580,332)
	Net cash generated from / (used) in financing activities (C)	**(9,444,207)**	(10,294,854)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**3,275,500**	(91,538,348)
	Cash and cash equivalents as at beginning of year *(refer note 17)*	**4,172,539**	95,710,887
	Cash and cash equivalents as at the end of the year *(refer note 17)*	**7,448,039**	4,172,539

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

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
Ravi Kapoor
Partner
Membership No : 040404

Date : 26th May 2016
Place : Mumbai

For and on behalf of the Board of Directors
Keynote Corporate Services Limited

Sd/-
Vineet Suchanti
Managing Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Saloni Maru
Company Secretary

Date : 26th May 2016
Place : Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of
Keynote Corporate Services Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Keynote Corporate Services Limited** (hereinafter referred to as "the Company")and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31 March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of 3 subsidiaries and a trust, whose financial statements reflect total assets of ₹ 780,289,155 as at 31 March, 2016, total revenues of ₹ 134,913,090 and net cash flows amounting to ₹ 312,251,770 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors of the Company as on 31 March, 2016 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure"; and

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. the Group does not have any pending litigations which would impact its financial position

      ii. the Group has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts.

      iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies.

For S M S R & Co LLP
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/
Ravi Kapoor
Partner
Membership No: 040404

Date : 26 May 2016
Place : Mumbai

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting **Keynote Corporate Services Limited** (hereinafter referred to as "the Company")and its subsidiaries which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company and its subsidiaries which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's

assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company and its subsidiaries which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(1) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 3 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For S M S R & Co LLP
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/
Ravi Kapoor
Partner
Membership No: 040404

Date : 26 May 2016
Place : Mumbai

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016

(Amount in ₹)

Particulars	Note No.	As at 31-March -2016	As at 31-March -2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	**55,666,370**	55,666,370
Reserves and surplus	4	**607,836,196**	569,683,574
		663,502,566	625,349,944
Non-current liabilities			
Long-term borrowings	5	**2,360,167**	2,270,056
Deferred tax liabilities (net)	6	**13,464,144**	9,906,111
Other long term liabilities	7	**300,000**	300,000
Long-term provisions	8	**1,462,860**	1,670,082
		17,587,171	14,146,249
Current liabilities			
Short-term borrowings	9	**114,088,678**	201,881,978
Trade payables	10	**143,443,927**	114,383,456
Other current liabilities	11	**60,381,736**	16,351,039
Short-term provisions	12	**10,626,053**	11,538,121
		328,540,394	344,154,594
		1,009,630,131	983,650,787
ASSETS			
Non-current assets			
Fixed assets			
– Tangible assets	13	**191,707,661**	196,528,128
– Intangible assets	13	**35,957,108**	35,957,108
Goodwill on consolidation (net)		**1,041,615**	1,041,615
Non-current investments	14	**37,251,097**	20,338,607
Long-term loans and advances	15	**31,525,086**	43,449,668
Other non-current assets	16	**12,100,000**	6,082,883
		309,582,567	303,398,009
Current assets			
Current investments	17	**139,547,506**	40,473,541
Stock-in-trade	18	**19,923,933**	6,333,625
Trade receivables	19	**61,822,375**	50,404,488
Cash and bank balances	20	**334,250,548**	241,546,748
Short-term loans and advances	21	**141,135,654**	330,804,231
Other current assets	22	**3,367,548**	10,690,145
		700,047,564	680,252,778
		1,009,630,131	983,650,787
Significant accounting policies	2		

The accompanying notes referred above form an integral part of the consolidated financial statements

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
Ravi Kapoor
Partner
Membership No : 040404

Date : 26th May 2016
Place : Mumbai

For and on behalf of the Board of Directors
Keynote Corporate Services Limited

Sd/-
Vineet Suchanti
Managing Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Saloni Maru
Company Secretary

Date : 26th May 2016
Place : Mumbai

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

Particulars	Note No.	For The Year Ended 31-Mar-16	For The Year Ended 31-Mar-15
INCOME			
Revenue from operations	23	**177,390,568**	124,877,590
Other Income	24	**55,052,459**	37,024,168
		232,443,027	161,901,758
EXPENSES			
Employee benefits expense	25	**43,853,938**	42,419,312
Finance costs	26	**25,338,954**	34,143,942
Depreciation and amortisation	27	**9,424,627**	7,486,692
Other expenses	28	**88,905,436**	51,360,301
		167,522,955	135,410,247
Profit before tax and exceptional items		**64,920,072**	26,491,511
Exceptional items	27	**—**	1,103,362
Profit before tax		**64,920,072**	25,388,149
Tax Expense			
– Current tax		**16,294,859**	5,488,941
– Deferred tax charge		**3,199,855**	2,610,981
– Current Tax for earlier years		**392,634**	371,572
		19,887,348	8,471,494
Profit for the year		**45,032,724**	16,916,655
Earnings per share (Face value of ₹ 10 /- each)			
Basic & diluted	31	**8.09**	3.04
Significant accounting policies	2		

The accompanying notes referred above form an integral part of the consolidated financial statements

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
Ravi Kapoor
Partner
Membership No : 040404

Date : 26th May 2016
Place : Mumbai

For and on behalf of the Board of Directors
Keynote Corporate Services Limited

Sd/-
Vineet Suchanti
Managing Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Saloni Maru
Company Secretary

Date : 26th May 2016
Place : Mumbai

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1) CORPORATE INFORMATION

Keynote Corporate Services Limited ("Keynote" or "the Company") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 havingits registered office is at Mumbai. Its shares are listed on two stock exchanges in India. i.e., BSE Limited (BSE) & National Stock Exchange of India Limited (NSE). Keynote together with its subsidiaries and trust, is herein after referred to as ' the Group'. The Group is engaged in providing services of Investment Banking, Corporate Advisory Services, ESOPAdvisory, Broking business in Commodities and Trading in Securities

2) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of Consolidated Financial Statements

These consolidated financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The consolidated financial statements have been prepared on a going concern basis. GAAP comprises of mandatory accounting standards as prescribed under the Act.

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

Further,where applicable,the Group follows prudential norms for income recognition,assets classification and provisioning for Non-performing assets (NPA), as well as contingency provisions for standard assets, prescribed by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC). The accounting standards are followed insofar, as they are not inconsistent with the Prudential Norms, prescribed by the RBI.

b) Principles and assumptions used for Consolidated Financial Statements

i) The consolidated financial statements have been prepared 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 & Consolidated Cash Flow, together referred to as 'Consolidated Financial Statements'. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and its trust.

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

iii) 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.

iv) Keynote Trust has been consolidated. Consequently, the shares held by Keynote Trust in Keynote Corporate Services Limited have been eliminated, on consolidation.

v) 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.

vi) 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.

vii) Inter group transactions are eliminated in preparation of Consolidated Financial Statements.

viii) Following are the Companies / Enterprises whose standalone financial statements have been considered for the Consolidated Financial Statements.

Name of the Subsidiary/ Trust	Country of Incorporation	31-March -2016 No of Shares/ Corpus	31-March -2016 Proportion of ownership / Beneficial Interest	31-March -2015 No of Shares/ Corpus	31-March -2015 Proportion of ownership / Beneficial Interest
Keynote Capitals Ltd.	India	11,266,667	100%	11,266,667	100%
Keynote Commodities Ltd.	India	350,000	100%	350,000	100%
Keynote Fincorp Ltd.	India	3,500,000	100%	3,500,000	100%
Keynote Trust	India	20,000	100%	20,000	100%

c) Use of estimates

Preparation of the consolidated financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reported period. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Difference between the actual results and estimates are recognised in the period in which the results are known.

d) Current/Non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of resources for delivery and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

e) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

f) Fixed assets

i) Tangible assets and intangible assets are stated at cost less accumulated depreciation / amortization and impairments, if any.

ii) Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

iii) Cost includes expenses related to purchases, borrowing costs and any directly attributable cost for bringing the assets to its working condition for its intended use and excludes any duties and taxes recoverable, net of adjustments arising from the exchange rate variations attributable to the assets.

iv) Subsequent expenditure related to an item of tangible and intangible fixed asset is capitalised only if it increases the future benefits from the existing assets beyond its previously assessed standards of performance and / or life.

v) The advances given for acquiring for fixed assets are shown under loans and advances (capital advances).

vi) Individual assets costing less than ₹ 5,000 are depreciated in full in the year of acquisition.

vii) Gains or losses arising from disposal of assets and losses due to retirement prior to estimated life of assets, which are carried at cost, are recognised in the Statement of Profit & Loss.

viii) Items of tangible assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the consolidated financial statements under "Other current assets". Any expected loss is recognised immediately in the Statement of Profit and Loss.

ix) Tangible assets and intangible assets not ready for the intended use

on the date of Balance Sheet are stated at Cost as "Capital work-in-progress" and "Intangible Assets under Development" respectively.

g) Depreciation / amortisation on fixed assets

i) Depreciation is provided on pro rata basis under Straight Line Method on all the tangible fixed assets(including property held as investment) which were in use during the year.Residual value for the assets is considered to be at five percent of the original cost of the asset. If the assets are purchased during the year, depreciation is provided on pro – rata basis from the date the assets are installed. In case the assets are sold, depreciation is provided on the same up to the date of sale on pro – rata basis.

Estimated useful lives of the tangible assets is as prescribed in Schedule II of the Companies Act, 2013,except in case of Investment Property.

ii) Expenses incurred on computer software having enduring benefits are capitalised and amortised on straight line method (SLM) basis, over a period of five years

iii) Payments made for the membership of the Bombay Stock Exchange and National Stock Exchange has been treated as "Intangible asset". However,considering the enduring nature of the stock exchange membership, the same has not been amortised.

h) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors except in case of intangibles under development which are reviewed at every reporting date. An impairment loss is recognized in the Statement of Profit & Loss, wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risk specifics to the asset.

An impairment loss recognised 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) Assets acquired under lease

The lease arrangement is classified as either a finance lease or an operating lease, at the inception of the lease, based on the substance of the lease arrangement.

i) Operating lease

Where the group 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 on straight line basis over lease term.

Where the group is the lessor

Leases in which the Group 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 on straight line basis over lease term.

ii) Finance lease

A finance lease is a lease that transfers substantially all the risks and rewards incident to ownership of an asset. A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Initial direct costs, if any, are also capitalized and, subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expenses and the reduction of the outstanding liability. The finance expenses is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

j) Borrowing costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost, interest and other financial charges incurred by the Group in connection with the borrowing of funds. 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.

k) Stock-in-trade

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

l) Investments

Investments which are readily realisable 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". 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. 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 "Non-Current Investments".

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 consolidated financial statements at lower of cost and fair value determined on Individual investment basis. Non-current 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.

m) Investment property

Property given on lease is shown as Investment in property under "Non-Current Investments" and is depreciated using Straight Line method.

n) Revenue recognition

i) Revenue is recognized to the extent that it can be reliably measured and there is no uncertainty about ultimate collection. Income from services is recognized with reference to achievement of milestones defined in the corresponding engagement letters or mandate letters entered with counter party which reflects the proportionate stage of completion.

ii) Initial acceptance fees is recorded as income after the achievement of the first milestone. In situations where there is no further progress on the mandate, the initial acceptance fees received, is recorded as income after 12 months from the date of debit note.

iii) Brokerage income, including brokerage on commodity transactions, is recognised on trade date basis and is exclusive of service tax and Securities Transaction Tax (STT)/Commodities transaction Tax (CDT), wherever applicable.

iv) Advisory and transactional processing fees income is accounted on an accrual basis, in accordance with the terms of contracts, entered into between the Group and the counter party.

v) Income from investment in Mutual Funds is accounted when the same is distributed by the Fund. Return of capital contribution is reduced from the original cost of investments.

vi) Profit / loss on sale of securities held as stock in trade is calculated on first-in-first-out (FIFO) basis.

vii) 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 Statement of Profit and Loss. 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 Statement of Profit and Loss. Unrealized gains (on overall portfolio basis) are not recognized in the Statement of Profit and Loss on grounds of prudence as enunciated in Accounting Standard (AS) - 1, "Disclosure of Accounting Policies". In respect of other transactions, the unrealized losses on equity derivatives determined on script basis are recognized in Statement of Profit and Loss 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.

viii) Account opening charges are recognized on accrual basis.

ix) Income,including interest / discount or any other charges on Non-Performing Assets (NPA) are recognised as income, only when it is actually realised.However,any unrealisable income which is earned on Non- Performing Assets (NPA) would be adjusted / reversed during the year of classification.Dividend from investments is accounted for as income when the right to receive the dividend is established.

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

xi) Income from depository operations etc. is recognized on accrual basis.

o) Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the date of the respective transactions or that approximates the actual rate at the date of transaction. Exchange differences arising on foreign currency transactions, settled during the year, are recognised in the statement of profit and loss. The premium or discount on foreign exchange forward contracts is amortized as income or expense over the life of the contract.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are reported using the foreign exchange rates as at the balance sheet date. The resultant exchange differences are recognised in the Statement of Profit & Loss. Non monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

p) Retirement and other employee benefits

i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. Retirement benefits in the form of provident fund and ESIC is a defined contribution plan. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Defined benefit plans

The liability in respect of defined benefit plans and other- post employee benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

The Group 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.

Leave encashment is provided on the basis of earned leave standing to the credit of the employees and the same is discharged by the Group subsequent to the calendar year end.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group 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 Group 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.

q) Taxes on income

Income tax expense comprises of current and deferred nature. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act of 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in Balance Sheet if there is convincing evidence that the Company will pay normal tax after tax holiday period and the resultant asset can be measured reliably.

r) Earnings per share

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

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

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issue including for changes effected prior to the approval of financial statements by the Board of Directors.

s) Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Further, segment revenue, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment revenue, expenses, assets and liabilities, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Un-allocated corporate expenses net of un-allocated income.

t) Provisions, Contingent liabilities & Contingent assets

i) Provision is recognised in the consolidated financial statements when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

ii) Provisioning on Receivables from Financing Business:

a) Provision for standard assets is made on the basis of prudential norms prescribed for NBFCs by Reserve Bank of India.

b) Provision for non performing asset is based on the management's assessment of the degree of impairment of the loan asset the level of provisioning required as per the prudential norms prescribed for NBFCs by Reserve Bank of India.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

3. SHARE CAPITAL	31-March-2016 (₹)	31-March-2015 (₹)
Authorized		
15,000,000 (P.Y : 15,000,000) equity shares of ₹ 10/- each	**150,000,000**	150,000,000
	150,000,000	150,000,000
Issued :		
11,274,417 (P.Y: 11,274,417) equity shares of ₹ 10/- each	**112,744,170**	112,744,170
	112,744,170	112,744,170
Subscribed and fully paid-up shares:		
7,018,339 (P.Y : 7,018,339) equity shares of ₹ 10/- each *	**55,666,370**	55,666,370
	55,666,370	55,666,370

*Keynote Trust has been consolidated. Consequently,the shares held by Keynote Trust in Keynote Corporate Services Limited (Current Year :1,451,702 shares ; Previous Year :1,451,702 shares) have been eliminated, on consolidation.

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :

Particulars	31-March -2016		31-March -2015	
	No. of Shares	Amount ₹	No. of Shares	Amount ₹
At the beginning of the year	**5,566,637**	**55,666,370**	5,566,637	55,666,370
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 issued only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.All shares rank pari passu with regard to dividend & repayment of capital.The company declares and pays dividend 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, except in case of interim dividend. During the year ended 31 March 2016, the Company has propsed final dividend of ₹ 1/- per share (P.Y: ₹ 1/- per share) to equity shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining net assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	31-March -2016		31-March -2015	
	No. of Shares	% holding	No. of Shares	% holding
NSS Digital Media Limited	**2,932,256**	**41.78**	2,932,256	41.78
India Max Investment Fund Limited	**561,348**	**8.00**	561,348	8.00

4. RESERVES AND SURPLUS	31- March- 2016 ₹	31- March- 2015 ₹
Statuory reserve *	**1,583,282**	998,761
At the commencement of the year		
Add: Transfer from the Consolidated Statement of Profit & Loss	**699,479**	584,521
At the end of the year	**2,282,761**	1,583,282
* Created by Keynote Fincorp Limited (subsidiary) as required under section 45IC of the Reserve Bank of India Act, 1934		
Securities premium account	**230,648,293**	230,648,293
General reserve	**13,391,679**	13,391,679
Surplus in the consolidated statement of profit & loss		
At the commencement of the year	**324,060,320**	314,487,589
Add : Profit for the year	**45,032,724**	16,916,655
Less: Appropriations during the year		
– Transfer to Statutory reserve	**(699,479)**	(584,521)
– Adjustments in respect of depreciation on transition to Schedule II in earlier years	**(99,012)**	—
– Proposed equity dividend	**(7,018,339)**	(7,018,339)
– Tax on proposed equity dividend	**(1,214,453)**	(1,192,767)
Add: Dividend adjustment on account of consolidation of trust	**1,451,702**	1,451,702
	361,513,463	324,060,320
	607,836,196	569,683,574

5 LONG-TERM BORROWINGS	31 March 2016 ₹	31 March 2015 ₹
Secured		
– Term loans from parties other than banks	**2,360,167**	2,270,056
	2,360,167	2,270,056

(i) The Company had taken vehicle loans from the financial institutions during F.Y. 2011-12,carrying interest @8.82% p.a. & 11.36% p.a respectively. Further, the said loans are repayable in 59 monthly installments of ₹ 90,085/- & ₹ 36,660/- respectively.

(ii) During the F.Y. 2013-14, the company had further obtained additional vehicle loan from a financial institution carrying interest @10.72% p.a, repayable in 59 monthly installments of ₹ 63,100/- each.

(iii) During the F.Y. 2014-15 company has obtained additional vehicle loan from a financial institution carrying interest@10.75% p.a. repayable in 36 monthly installments of ₹ 29,939/- each.

(iv) During the F.Y. 2015-16, the company had further obtained additional vehicle loan from a financial institution carrying interest @8.778% p.a, repayable in 48 monthly installments of ₹ 61,500/- each.

(v) All the above loans are secured by hypothecation of respective assets of the company.

6 DEFERRED TAX LIABILITIES (NET)	31 March 2016 ₹	31 March 2015 ₹
Deferred tax liabilities		
– Depreciation and amortisation on fixed assets	**15,007,309**	11,447,258
	15,007,309	11,447,258
Deferred tax assets		
– Provision for leave encashment	**53,323**	112,209
– Provision for gratuity	**785,742**	838,859
– Provision for bonus	**704,100**	590,078
	1,543,165	1,541,147
	13,464,144	9,906,111

7 OTHER LONG TERM LIABILITIES	31 March 2016 ₹	31 March 2015 ₹
Interest free security deposits towards lease	**300,000**	300,000
	300,000	300,000

8 LONG-TERM PROVISIONS	31 March 2016 ₹	31 March 2015 ₹
Provision for employee benefits		
– Provision for gratuity	**1,379,102**	1,553,974
– Provision for leave encashment	**83,758**	116,108
	1,462,860	1,670,082

9 SHORT-TERM BORROWINGS	31 March 2016 ₹	31 March 2015 ₹
Secured		
– Bank overdraft *	**79,026,932**	62,589,046
Unsecured		
– Loans from parties other than banks *(repayable on demand)*	**35,061,746**	139,292,932
	114,088,678	201,881,978

* Bank overdraft is secured against pledge of fixed deposits with banks.

10 TRADE PAYABLES	31 March 2016 ₹	31 March 2015 ₹
Dues to micro and small enterprises	—	—
Dues to others	**143,443,927**	114,383,456
	143,443,927	114,383,456

Notes :

Details of dues to micro, small and medium enterprises as defined under MSMED Act, 2006 :

(i) 'Trade payables' includes Nil (P.Y : Nil) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

(ii) No interest was paid / payable to micro and small enterprises during the year (P.Y: Nil)

(iii) The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of parties under the MSMED and the same was relied upon by the Auditors.

11 OTHER CURRENT LIABILITIES	31 March 2016 ₹	31 March 2015 ₹
Current maturities of long-term debts *(refer note 5)*	**1,991,124**	2,275,585
Advance received from customers	**2,589,036**	7,294,123
Security deposits received from customers	**46,353,214**	2,618,002
Unpaid dividend *(refer note below)*	**1,214,368**	1,159,446
Interest accrued but not due on borrowings	**1,319**	5,250
Statutory dues payable	**6,549,526**	1,339,878
Provision for bonus	**1,683,149**	1,658,755
	60,381,736	16,351,039

Note : During the current year,the Company had transferred ₹ 1,02,890 (P.Y: Nil) to Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

12 SHORT-TERM PROVISIONS	31 March 2016 ₹		31 March 2015 ₹	
Provision for employee benefits				
— Provision for gratuity *(refer notes below)*	**3,312,669**		3,466,980	
— Provision for leave encashment *(refer notes below)*	**262,609**		172,079	
Other provisions				
— Proposed equity dividend	**7,018,339**		7,018,339	
Less: Dividend adjustment on account	**1,451,702**		1,451,702	
of consolidation of trust		**5,566,637**		5,566,637
— Tax on proposed equity dividend		**1,214,453**		1,192,767
— Provision against standard assets		**269,685**		608,045
— Provision for diminution in the value of closing stock		**—**		531,613
		10,626,053		11,538,121

Notes: Disclosures as required by Accounting Standard (AS) 15 "Employee Benefits" are as follows:

(A) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as an expense and included in "Employee benefits expense"

Note 25 in the Consolidated Statement of Profit and Loss are as under :

- Employers contribution to Provident Fund and Family Pension Scheme ₹30,81,079 (Previous year ₹ 30,66,364)
- Employers contribution to Employees State Insurance Scheme ₹ 52,798 (Previous year: ₹ 59,405)
- Employers contribution to Gratuity Fund ₹ 2,83,043 (Previous year ₹ 4,62,279)

(B) Defined Benefit Plans

(i) Gratuity

		31 March 2016	31 March 2015
I	**Change in the present value obligation during the year**		
	Liability at the beginning of the year	10,004,663	9,724,901
	Interest cost	796,395	888,856
	Current service cost	492,354	701,771
	Past service cost	—	—
	Benefits paid	(277,892)	(403,641)
	Actuarial gains / (losses)	(385,436)	(907,224)
	Liability at the end of the year	10,630,084	10,004,663
II	**Change in fair value of plan assets during the year**		
	Fair value of plan assets at the beginning of the year	4,983,709	4,467,867
	Expected return of plan assets	396,512	388,704
	Contributions	612,227	698,359
	Benefits paid / Transfers from / to other companies	(277,892)	(403,641)
	Actuarial gains / (losses)	223,758	167,580
	Fair value of plan assets at the end of the year	5,938,314	4,983,709
	Total actuarial gains/(losses) to be recognised	609,194	1,074,804
III	**Recognition of Actuarial gains/(losses)**		
	Actuarial gains/(losses) to be recognised on obligation for the period	(385,436)	(907,224)
	Actuarial gains/(losses) to be recognised on assets for the period	(223,758)	167,580
	Total actuarial gain/(loss) to be recognised in the consolidated statement of profit and loss	(609,194)	(739,644)
IV	**Actual return on plan assets**		
	Expected return on plan assets	396,512	388,704
	Actuarial gains / (losses)	(223,758)	167,580
	Actual return on plan assets	620,270	221,124
V	**Net asset / (liability) recognised in the balance sheet**		
	Fair value of plan assets at the end of the year	5,938,314	4,983,709
	Present value of benefit obligation as at the end of the year	(10,630,084)	(10,004,663)
	Funded status	(4,691,770)	(5,020,954)

	Unrecognised past service cost at the end of the year	—	—
	Unrecognised transitional liability at the end of the year	—	—
	Net asset / (liability) recognised in the Consolidated Balance Sheet	(4,691,770)	(5,020,954)
VI	**Expenses recognised in the statement of profit and loss for the year**		
	Current service cost	492,354	701,771
	Interest cost	399,883	500,152
	Expected return on plan assets	—	—
	Actuarial (gains) / losses	(609,194)	(739,644)
	Past service cost (non vested benefit) recognised during the year	—	—
	Past service cost (vested benefit) recognised during the year	—	—
	Transitional liability recognised during the year	—	—
	Total expenses as per actuarial valuation recognised in the Consolidated Statement of Profit & Loss	283,043	462,279
VII	**Balance Sheet Reconciliation**		
	Opening net liability	5,020,954	5,257,034
	Expenses recognised in the consolidated statement of profit and loss for the year	283,043	462,279
	Employer's contribution	(612,227)	(698,359)
	Net asset / (liability) recognised in the consolidated balance sheet	4,691,770	5,020,954
VIII	**Other details**		
	Number of members	42	46
	Salary per month	1,813,298	1,947,402
	Prescribed contribution for next year (12 months)	1,813,298	1,947,402
IX	**Actuarial assumptions:**		
1	Discount rate	7.84%	7.90%
2	Rate of return on plan assets	7.84%	7.90%
3	Salary escalation	8.00%	8.00%
4	Attrition rate	13.00%	20.67%

X	**Category of assets**		
	Government of India assets	—	—
	Corporate bonds	—	—
	Equity shares of listed companies property	—	—
	Insurer managed funds	5,938,314	4,983,709
	Others	—	—
	Total	5,938,314	4,983,709
XI	**Classification as per Schedule III of the Companies Act,2013**		
	Current liability *(refer note 12)*	3,312,669	3,466,980
	Non- current liability *(refer note 8)*	1,379,102	1,553,974
		4,691,771	5,020,954

XII. Particulars	**31 March 2016**	**31 March 2015**	**31 March 2014**	**31 March 2013**	**31 March 2012**
Present value of benefit obligation	10,630,084	10,004,663	9,724,901	13,380,109	11,689,588
Fair value of plan assets	5,938,314	4,983,709	4,467,867	9,561,157	8,032,078
Surplus / (Deficit)	4,691,771	5,020,954	(5,257,034)	(3,818,952)	(3,657,510)
Experience adjustments on plan liability (gains)/losses	(436,659)	(710,994)	290,586	(1,302,109)	(729,151)
Experience adjustments on plan assets (losses)/gains	223,758	167,580	(402,746)	64,737	322,777

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

Note: 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 disclosures for the same has been made.

(ii) Leave encashment

As per the Company's policy, a sum of ₹ 5,98,988 (Previous year : ₹ 5,16,519) has been paid towards compensated absences; calculated on the basis of unutilised leave. During the year, the Company has provided ₹3,46,367 (Previous Year: ₹ 2,88,187) as per actuarial valuation done by independent actuary.

Note: Detailed disclosures of compensated absence is not given in terms of para 132 of AS-15 "Employee Benefits".

13. FIXED ASSETS **(₹)**

		GROSS BLOCK				DEPRECIATION /AMORTISATION				NET BLOCK	
		Balance as at 01 April, 2015	Additions	Disposals/ Adjustments	Balance as at 31March, 2016	Balance as at 01 April, 2015	Depreciation/ Amortisation for the year (refer note 1)	Disposals / Adjustments during the year	Balance as at 31March, 2016	Balance as at 31March, 2016	Balance as at 31March, 2015
(I)	**Tangible Assets**										
(a)	Premises	177,441,939 (177,441,939)	— —	— —	177,441,939 (177,441,939)	8,361,640 (5,681,595)	2,938,001 (2,680,045)	80,952 —	11,218,689 (8,361,640)	166,223,250 (169,080,299)	169,080,299 (171,760,344)
(b)	Vehicles	21,268,048 (21,216,909)	4,445,500 (1,193,675)	2,126,598 (1,142,536)	23,586,950 (21,268,048)	9,513,124 (7,892,579)	2,553,097 (2,463,403)	352,489 (842,858)	11,713,732 (9,513,124)	11,873,218 (11,754,924)	11,754,924 (13,324,330)
(c)	Furniture & fixtures	15,237,093 (15,237,093)	547,500 —	— —	15,784,593 (15,237,093)	4,282,371 (3,563,318)	2,418,376 (719,053)	956,447 —	5,744,300 (4,282,371)	10,040,292 (10,954,722)	10,954,722 (11,673,775)
(d)	Air conditioners	2,028,570 (2,028,570)	— —	— —	2,028,570 (2,028,570)	764,976 (431,201)	334,689 (333,775)	— -—	1,099,665 (764,976)	928,905 (1,263,594)	1,263,594 (1,597,369)
(e)	Office equipments	2,831,352 (2,820,852)	11,529 (10,500)	— —	2,842,881 (2,831,352)	2,167,193 (635,773)	270,074 (1,531,420)	— —	2,437,267 (2,167,193)	405,613 (664,159)	664,159 (2,185,079)
(f)	Computers & peripherals	17,252,894 (17,053,514)	195,165 (199,380)	— —	17,448,059 (17,252,894)	15,512,825 (15,497,953)	751,823 (14,872)	125,516 —	16,139,132 (15,512,825)	1,308,927 (1,740,069)	1,740,069 (1,555,561)
(g)	Electrical fittings	1,337,699 (1,337,699)	— —	— —	1,337,699 (1,337,699)	267,337 (124,819)	142,908 (142,518)	— —	410,244 (267,337)	927,455 (1,070,362)	1,070,362 (1,212,880)
		237,397,594 (237,136,575)	**5,199,694 (1,403,555)**	**2,126,598 (1,142,536)**	**240,470,690 (237,397,594)**	**40,869,466 (33,827,237)**	**9,408,967 (7,885,086)**	**1,515,404 (842,858)**	**48,763,029 (40,869,466)**	**191,707,661 (196,528,128)**	**196,528,128 (203,309,338)**

13. FIXED ASSETS (CONTI) (₹)

		GROSS BLOCK				DEPRECIATION /AMORTISATION				NET BLOCK	
		Balance as at 01 April, 2015	Additions	Disposals/ Adjustments	Balance as at 31March, 2016	Balance as at 01 April, 2015	Depreciation/ Amortisation for the year (refer note 1)	Disposals / Adjustments during the year	Balance as at 31March, 2016	Balance as at 31March, 2016	Balance as at 31March, 2015
(II)	**Intangible Assets**										
(a)	Computer software	3,491,250 (3,491,250)	— —	— —	3,491,250 (3,491,250)	3,491,250 (2,793,000)	— (698,250)	— —	3,491,250 (3,491,250)	— —	— (698,250)
(b)	Stock exchange membership	35,957,108 (35,957,108)	— —	— —	35,957,108 (35,957,108)	— —	— —	— —	— —	35,957,108 (35,957,108)	35,957,108 (35,957,108)
(c)	OTC membership	— (2,200,000)	— —	— (2,200,000)	— —	— —	— —	— —	— —	— —	— (2,200,000)
		39,448,358 **(41,648,358)**	**—** **—**	**—** **(2,200,000)**	**39,448,358** **(39,448,358)**	**3,491,250** **(2,793,000)**	**—** **(698,250)**	**—** **—**	**3,491,250** **(3,491,250)**	**35,957,108** **(35,957,108)**	**35,957,108** **(38,855,358)**
		276,845,952 **(278,784,933)**	**5,199,694** **(1,403,555)**	**2,126,598** **(3,342,536)**	**279,919,048** **(276,845,952)**	**44,360,716** **(36,620,237)**	**9,408,967** **(8,583,336)**	**1,515,404** **(842,858)**	**52,254,279** **(44,360,716)**	**227,664,769** **(232,485,236)**	**232,485,236** **(242,164,696)**

Notes:

1 Depreciation for the current year includes ₹ 1,320,703 pertaining to earlier years.

2 Figures in brackets indicate previous year's figures

14 Non-current investments
(valued at cost, unless stated otherwise)

Sr. No	Particulars	Relationship with company	No. of shares / units 31 March 2016	31 March 2015	Classification	Status	Face Value	Amount 31 March 2016	31 March 2015
(A)	**Investment Property**								
	Gross cost of property							700,000	700,000
	Less: Accumulated depreciation							283,873	268,213
	Net book value							**416,127**	**431,787**
(B)	**Investment in Equity Instruments**								
	Trade Investments								
1	Indo Count India Limited	Others	1,731	9,900	Quoted	Fully paid up	10	39,961	212,355
2	Coromandal Engineering Co. Limited	Others	20,100	20,100	Quoted	Fully paid up	10	402,000	402,000
3	Olympia Industries Limited	Others	—	88,300	Quoted	Fully paid up	10	—	794,700
4	Bombay Stock Exchange Limited	Others	171,054	171,054	Unquoted	Fully paid up	1	13,158	13,158
5	Aptech Limited	Others	3,320	3,320	Quoted	Fully paid up	10	257,300	257,300
6	Siddha Real Estate Developers Private Limited	Others	490,000	490,000	Unquoted	Fully paid up	1	490,000	490,000
7	Scana Point Limited	Others	400	400	Quoted	Fully paid up	2	1,156	1,156
8	Mitcon Consultancy & Engineering Services Limited	Others	40,000	40,000	Quoted	Fully paid up	10	2,440,000	2,440,000
9	Centerac Emarketplaces Private Limited	Others	1,130	—	Unquoted	Fully paid up	10	1,000,294	—
10	Dugar Finance Limited	Others	700	700	Unquoted	Fully paid up	10	2,870	2,870
11	Dugar Housing Limited	Others	800	800	Unquoted	Fully paid up	10	9,520	9,520
12	Stella Exports Limited	Others	10,000	10,000	Unquoted	Fully paid up	3	30,000	30,000
13	Eagleeye Research & Media Private Limited	Others	9,600	9,600	Unquoted	Fully paid up	10	3,240,000	3,240,000
14	SH Kelkar & Company Limited	Others	100,109	—	Quoted	Fully paid up	10	18,019,620	—
								25,945,879	**7,893,059**
(C)	**Investment in Debentures**								
1	12% ECL Finance-NCD	Others	10,000	10,000	Unquoted	Fully paid up	1,000	10,000,000	10,000,000
2	9.50 % SBI 2025	Others	37	37	Unquoted	Fully paid up	10,000	370,000	370,000
								10,370,000	**10,370,000**
(D)	**Investment in Mutual Funds**								
1	HDFC Mutual Fund	Others	—	100,000	Unquoted	Fully paid up	10	—	1,124,670
2	ICICI Mutual Fund	Others	10,980	10,980	Unquoted	Fully paid up	10	519,091	519,091
								519,091	**1,643,761**
	Total Non- Current Investments (A+B+C+D)							**37,251,097**	**20,338,607**

Particulars	31 March 2016	31 March 2015
Aggregate amount of quoted investments	21,160,037	4,107,511
Market value of quoted investments	28,512,877	9,427,150
Aggregate amount of unquoted investments	14,785,842	13,785,548
Aggregate provision for diminution in value of investments	—	—

15 LONG-TERM LOANS AND ADVANCES	31 March 2016 ₹	31 March 2015 ₹
(Unsecured, considered good)		
Security deposits	**11,544,101**	25,668,931
Loans to employees	**85,956**	73,356
Prepaid expenses	**—**	11,586
Capital advances	**11,369,780**	11,369,780
Advance tax and tax deducted at source (Net of provision for tax ₹ 105,187,890, previous year: ₹ 114,18,212)	**8,525,249**	6,326,015
Total	**31,525,086**	43,449,668

16. OTHER NON-CURRENT ASSETS	31 March 2016 ₹	31 March 2015 ₹
(Unsecured considered good)		
Security deposits with stock exchanges	**12,100,000**	6,082,883
Total	**12,100,000**	6,082,883

17 CURRENT INVESTMENTS
(valued at lower of cost and market value)

Sr. No.	Particulars	Relationship with company	No. of shares / units 31 March 2016	31 March 2015	Classification	Status	Face Value	Amount 31 March 2016	31 March 2015
	Trade Investment								
(A)	**Investment in Equity Instruments**								
1	Ajantha Pharma Limited	Others	—	115	Quoted	Fully Paidup	2	—	75,666
2	Bharti Infratel Limited	Others	—	776	Quoted	Fully Paidup	10	—	224,609
3	Capital First Limited	Others	888	522	Quoted	Fully Paidup	10	285,095	137,246
4	Cox & Kings Limited	Others	—	778	Quoted	Fully Paidup	5	—	235,144
5	Gati Limited	Others	—	2,222	Quoted	Fully Paidup	2	—	354,141
6	Godrej Properties Limited	Others	2,600	—	Quoted	Fully Paidup	5	678,322	—
7	Hatsun Agro Product Limited	Others	1,576	—	Quoted	Fully Paidup	1	504,103	—
8	HDFC Bank Limited	Others	981	65	Quoted	Fully Paidup	2	986,527	52,881
9	Heritage Foods (India) Limited	Others	380	—	Quoted	Fully Paidup	10	149,838	—
10	Indo Count Industries Limited	Others	269	—	Quoted	Fully Paidup	10	155,903	—
11	Indusind Bank Limited	Others	—	80	Quoted	Fully Paidup	10	—	43,538
12	ITC Limited	Others	1,200	—	Quoted	Fully Paidup	1	388,134	—
13	Jenburkt Pharmaceuticals Limited	Others	638	638	Quoted	Fully Paidup	10	125,415	125,415
14	Mold-Tek Packaging Limited	Others	3,180	1,876	Quoted	Fully Paidup	5	242,634	338,766
15	Motherson Sumi Systems Limited	Others	—	413	Quoted	Fully Paidup	1	—	157,516
16	Orbit Exports Limited	Others	—	194	Quoted	Fully Paidup	10	—	54,376
17	Kotak Mahindra Bank Limited	Others	1,100	—	Quoted	Fully Paidup	5	513,034	—
18	Majesco Limited	Others	632	—	Quoted	Fully Paidup	5	159,766	—
19	Montecarlo Fashions Limited	Others	403	—	Quoted	Fully Paidup	10	140,889	—
20	Mastek Limited	Others	—	401	Quoted	Fully Paidup	5	—	155,392
21	Lyka Labs Limited	Others	—	596	Quoted	Fully Paidup	10	—	22,697
22	EICHER Motors Limited	Others	—	13	Quoted	Fully Paidup	10	—	200,168
23	PTC India Financial Services Limited	Others	—	12,217	Quoted	Fully Paidup	10	—	518,273
24	Poddar Developers Limited	Others	67	—	Quoted	Fully Paidup	10	76,045	—
25	Pokarnal Limited	Others	185	—	Quoted	Fully Paidup	10	139,675	—
26	Ratnamani Metals & Tubes Limited	Others	—	110	Quoted	Fully Paidup	2	—	46,434
27	Sarla Performance Fibres Limited	Others	5,200	452	Quoted	Fully Paidup	1	172,371	143,455
28	Sun Pharmaceuticals Industries Limited	Others	288	215	Quoted	Fully Paidup	1	82,930	171,210
29	Shemaroo Entertainment Limited	Others	1,402	—	Quoted	Fully Paidup	10	331,973	—
30	Sathavahana Ispat Limited	Others	7,800	—	Quoted	Fully Paidup	10	299,075	—
31	Info Edge (India) Limited	Others	450	—	Quoted	Fully Paidup	10	346,230	—
32	Granules India Limited	Others	1,208	—	Quoted	Fully Paidup	1	144,900	—
33	GRP Limited	Others	325	—	Quoted	Fully Paidup	10	318,885	—
34	Biologicals Corporation Limited	Others	7,500	—	Quoted	Fully Paidup	10	138,375	—
35	Aarti Industries Limited	Others	217	—	Quoted	Fully Paidup	5	101,634	—
36	SRF Limited	Others	174	—	Quoted	Fully Paidup	10	184,831	—
37	Tata Motors Limited	Others	—	504	Quoted	Fully Paidup	2	—	202,399
38	Transport Corporation of India Limited	Others	—	652	Quoted	Fully Paidup	2	—	145,379
39	Shree Cement Limited	Others	12	—	Quoted	Fully Paidup	10	145,387	—
40	SQS India BFSI Limited	Others	160	—	Quoted	Fully Paidup	10	145,440	—
41	Sun Pharmaceuticals Industries Limited	Others	322	—	Quoted	Fully Paidup	1	92,720	—
42	Page Industries Limited	Others	22	—	Quoted	Fully Paidup	10	267,536	—
43	Pidilite Industries Limited	Others	446	—	Quoted	Fully Paidup	1	256,760	—
44	P I Industries Limited	Others	410	—	Quoted	Fully Paidup	1	232,634	—
45	Motherson Sumi Sytems Limited	Others	979	—	Quoted	Fully Paidup	1	247,750	—
46	Mahindra Holidays & Resorts (I) Limited	Others	438	—	Quoted	Fully Paidup	10	169,446	—
47	Mahindra & Mahindra Financial Services Limited	Others	1,148	—	Quoted	Fully Paidup	2	270,968	—
48	Lupin Limited	Others	164	—	Quoted	Fully Paidup	2	242,761	—
49	Kotak Mahindra Bank Limited	Others	388	—	Quoted	Fully Paidup	5	257,637	—
50	Indusind Bank Limited	Others	284	—	Quoted	Fully Paidup	10	269,017	—
51	Havells India Limited	Others	786	—	Quoted	Fully Paidup	1	204,246	—
52	Godrej Properties Limited	Others	414	—	Quoted	Fully Paidup	5	122,668	—
53	Eicher Motors Limited	Others	14	—	Quoted	Fully Paidup	10	249,839	—

Sr. No.	Particulars	Relationship with company	No. of shares / units 31 March 2016	31 March 2015	Classification	Status	Face Value	Amount 31 March 2016	31 March 2015
54	Dabur India Limited	Others	818	—	Quoted	Fully Paidup	1	203,805	—
55	Britannia Industries Limited	Others	69	—	Quoted	Fully Paidup	2	184,613	—
56	Bajaj Finance Limited	Others	48	—	Quoted	Fully Paidup	10	238,913	—
57	Bajaj Finserv Limited	Others	160	—	Quoted	Fully Paidup	5	272,600	—
58	Bharat Forge Limited	Others	216	—	Quoted	Fully Paidup	2	188,525	—
59	Ajanta Pharma Limited	Others	155	—	Quoted	Fully Paidup	2	216,705	—
60	Tasty Bite Eatable Limited	Others	177	—	Quoted	Fully Paidup	10	284,368	—
61	Shree Pushkar Chemicals Limited	Others	5053	—	Quoted	Fully Paidup	10	569,609	—
62	Poddar Housing and Development Limited	Others	8	—	Quoted	Fully Paidup	10	9,080	—
63	Dwarkesh Sugar Industries Limited	Others	2512	—	Quoted	Fully Paidup	10	247,947	—
64	City Union Bank Limited	Others	7440	—	Quoted	Fully Paidup	1	685,591	—
65	Tokyo Plast International Limited	Others	5104	—	Quoted	Fully Paidup	10	223,300	—
66	Torrent Power Limited	Others	697	—	Quoted	Fully Paidup	10	160,415	—
67	Steelcast Limited	Others	2250	—	Quoted	Fully Paidup	5	131,507	—
68	Piramal Enterprises Limited	Others	351	—	Quoted	Fully Paidup	2	329,851	—
69	Pearl Global Industries Limited	Others	1048	—	Quoted	Fully Paidup	10	238,597	—
70	Manappuram Finance Limited	Others	7499	—	Quoted	Fully Paidup	2	240,807	—
71	Hindustan Media Ventures Limited	Others	674	—	Quoted	Fully Paidup	10	168,250	—
72	Garware Wall Ropes Limited	Others	256	—	Quoted	Fully Paidup	10	83,965	—
73	Amara Raja Batteries Limited	Others	252	—	Quoted	Fully Paidup	1	221,154	—
74	Asian Paints Limited	Others	324	—	Quoted	Fully Paidup	1	275,385	—
75	Astral Poly Technik Limited	Others	531	—	Quoted	Fully Paidup	1	222,754	—
76	Astral Polytechnik Limited	Others	2,050	—	Quoted	Fully Paidup	1	849,082	—
77	V-Mart Retail Limited	Others	—	132	Quoted	Fully Paidup	10	—	51,314
78	Wim Plast Limited	Others	371	343	Quoted	Fully Paidup	10	434,276	378,975
79	JBF Industries Limited	Others	—	1,476	Quoted	Fully Paidup	10	—	312,026
80	Infrastructure Development Finance Company Limited	Others	—	1,288	Quoted	Fully Paidup	10	—	214,903
81	Fiem Industries Limited	Others	463	533	Quoted	Fully Paidup	10	319,529	336,723
82	Control Print Limited	Others	1,628	793	Quoted	Fully Paidup	10	259,483	158,124
83	Alkem Laboratory Limited	Others	97	—	Quoted	Fully Paidup	2	124,433	—
84	Bajaj Finance Limited	Others	114	—	Quoted	Fully Paidup	10	686,174	—
85	Bharat Forge Limited	Others	163	—	Quoted	Fully Paidup	2	128,905	—
86	Bosch Limited	Others	19	—	Quoted	Fully Paidup	10	331,380	—
87	City Union Bank Limited	Others	1,907	—	Quoted	Fully Paidup	1	161,523	—
88	Colgate Palmolive Limited	Others	123	—	Quoted	Fully Paidup	1	102,534	—
89	Container Corp Limited	Others	84	—	Quoted	Fully Paidup	10	98,116	—
90	Cummins India Limited	Others	285	—	Quoted	Fully Paidup	2	250,616	—
91	Eicher Motors Limited	Others	34	—	Quoted	Fully Paidup	10	647,386	—
92	Emami Limited	Others	180	—	Quoted	Fully Paidup	1	179,024	—
93	Engineers (I) Limited	Others	355	—	Quoted	Fully Paidup	5	53,807	—
94	Glaxosmithkline Limited	Others	28	—	Quoted	Fully Paidup	10	158,514	—
95	Hindustan Petroleum Chemicals Limited	Others	769	—	Quoted	Fully Paidup	10	522,379	—
96	Ipca Limited	Others	268	—	Quoted	Fully Paidup	2	170,290	—
97	J & K Bank Limited	Others	1,210	—	Quoted	Fully Paidup	1	81,312	—
98	Kotak Mahindra Bank	Others	444	—	Quoted	Fully Paidup	5	284,548	—
99	Max Financial Services Limited	Others	849	—	Quoted	Fully Paidup	2	296,316	—
100	Page Industries Limited	Others	36	—	Quoted	Fully Paidup	10	381,960	—
101	Voltas Limited	Others	1,223	—	Quoted	Fully Paidup	1	291,041	—
								22,051,760	**4,856,770**
(B)	**Investment in Mutual Funds**								
1	HDFC Liquid Fund Post IPO Collection A/c	Others	3,727	804,844	Unquoted	Fully Paidup	10	9,625,255	20,787,407
2	HDFC Gilt Fund Long Term-Growth	Others	181,948	181,948	Unquoted	Fully Paidup	10	5,000,000	5,000,000
3	HDFC Liquid-DD	Others	613	12,067	Unquoted	Fully Paidup	10	625,174	123,000
4	Capredieim Capital Partners Fund	Others	200	—	Unquoted	Fully Paidup	1,000	2,000,000	—
5	Sundram Money Fund	Others	3,003,392	—	Unquoted	Fully Paidup	10	94,600,000	—
6	ICICI Prudential Saving Fund-Regular Growth Plan	Others	—	34,665	Unquoted	Fully Paidup	10	—	7,000,000
7	Reliance Liquid Fund-Treasury Growth Plan	Others	1,566	825	Unquoted	Fully Paidup	10	5,645,317	2,706,364
								117,495,746	**35,616,771**
	Total Current Investments (A+B)							**139,547,506**	**40,473,541**

Particulars	31 March 2016	31 March 2015
Aggregate amount of quoted investments	22,051,760	4,856,770
Market value of quoted investments	25,296,792	6,150,657
Aggregate amount of unquoted investments	117,495,746	35,616,771
Aggregate provision for diminution in value of investments	1,444,396	128,621

18 STOCK-IN-TRADE

(valued at lower of weighted average cost or market value)

Sr. No	Particulars	Quantity 31 March 2016	Quantity 31 March 2015	Face Value	Amount 31 March 2016	Amount 31 March 2015
(A)	**Equity Shares (Quoted)**					
	1 Mitcon Engineering & Consultancy Limited	**110,000**	68,000	10	**7,700,000**	3,434,000
	2 Sanco Industries Limited	**224,000**	120,000	10	**5,600,000**	2,136,000
	3 Perfect Infraengineers Limited	**342,000**	—	10	**5,557,500**	—
	4 Swelect Energy Systems Limited	**2**	2	10	**624**	632
	5 Amar Remedies Limited	—	2500	10	—	15,100
	6 Navin Flourine Limited	**10**	10	10	**2,135**	2,135
					18,860,259	**5,587,867**
(B)	**Equity Shares (Unquoted)**					
	1 J M Financial Limited	**98**	98	1	**3,734**	4,709
	2 Cholamandalam Finance Limited	—	4,000	10	—	740,200
	3 Bharat Wire Ropes Limited	**23,532**	—	10	**1,058,940**	—
					1,062,674	**744,909**
(C)	**Mutual Funds (Quoted)**					
	1 Goldman Sachs Liquid Exchange Traded Scheme	**1**	1	1000	**1,000**	850
					1,000	**850**
	(A+B+C)				**19,923,933**	**6,333,625**

Particulars	31 March 2016	31 March 2015
Aggregate value of stock-in-trade		
At book value	**19,923,933**	6,333,625
At market value	**20,406,345**	6,334,208

19 TRADE RECEIVABLES

	31- March- 2016 ₹	31- March- 2015 ₹
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	**8,303,650**	13,827,727
Others	**53,518,725**	36,576,761
Total	**61,822,375**	50,404,488

20. CASH AND BANK BALANCES

	31- March- 2016 ₹	31- March- 2015 ₹
Cash and cash equivalents		
– Cash on hand	**1,771,316**	1,840,240
– Balances with banks		
– In current accounts	**98,342,546**	12,413,798
– In fixed deposits accounts (with original maturity of 3 months or less from the reporting date)	**8,289,887**	2,614,388
	108,403,749	16,868,426
Other bank balances		
– In fixed deposits with maturity of more than 3 months but less than 12 months from the reporting date *	**224,632,431**	223,518,876
– In unpaid dividend accounts	**1,214,368**	1,159,446
	225,846,799	224,678,322
Total	**334,250,548**	241,546,748

*Includes fixed deposits of ₹ 40,000,000 (Previous year :₹ 40,000,000) pledged against overdraft facility from banks

21. SHORT-TERM LOANS AND ADVANCES

	31- March- 2016 ₹	31- March- 2015 ₹
(Unsecured, considered good)		
Short term loans and deposits :		
– To related parties *(refer note 34)*	**27,350,616**	70,065,000
– To others	**104,131,776**	253,634,837
CENVAT credit	**5,051,598**	533,200
Prepaid expenses	**1,243,260**	1,072,015
Loans to employees	**253,405**	620,770
Advances to service providers	**2,942,614**	4,487,977
Other advances	**162,385**	390,432
	141,135,654	330,804,231

22. OTHER CURRENT ASSETS

	31- March- 2016 ₹	31- March- 2015 ₹
(Unsecured considered good)		
Interest accrued on		
- Short term loans and deposits	**3,361,597**	10,675,470
- Fixed deposits	**5,951**	14,675
	3,367,548	10,690,145

23. REVENUE FROM OPERATIONS

	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Sale of services		
– Income from advisory services	**119,710,606**	43,188,415
– Income from broking and other related activities	**31,592,260**	39,583,801
– Interest income on loans	**25,576,716**	33,379,644
– Net profit from trading in securities	**—**	8,581,019
Other operating revenue		
– Reimbursement of expenses	**510,986**	144,710
	177,390,568	124,877,590

24. OTHER INCOME

	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Interest income on		
– Short term loans and deposits	**11,281,732**	11,019,880
– Fixed deposits	**21,135,211**	18,893,897
Dividend income from investments	**1,985,774**	1,057,513
Net Profit on sale of investments *(net of loss ₹ 622,604, previous year : ₹ 34,520)*	**15,512,256**	2,931,512
Provision for contingencies on standard assets	**338,360**	173,617
Rent income	**1,485,410**	1,461,060
Net profit on foreign exchange fluctuations	**40,790**	—
Sundry balances written back	**1,023,982**	—
Miscellaneous income *(refer note below)*	**2,248,944**	1,486,689
	55,052,459	37,024,168

Note : The Company had paid remuneration of ₹ 1,650,000 in F.Y. 2013-14 to one of its Director who had rendered services in his professional capacity. Subsequent to such payments, it had applied to Central Government to seek its approval in accordance with the provisions of Section 309 of Companies Act, 1956. However, the said application was rejected by Central Government on 28 July 2014. Post rejection,the Company has reapplied to Central Government on 26 September 2014 for the waiver of recovery of such remuneration from the said director. As per direction of the Central Government, the Company has recovered the said amount from the Director, during the current year.

25 EMPLOYEE BENEFITS EXPENSE	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Salaries, bonus and allowances	**38,000,508**	36,521,944
Contribution to provident fund and other funds	**3,133,877**	3,125,769
Gratuity	**283,043**	462,279
Leave encashment	**764,952**	375,379
Staff welfare expenses	**1,671,558**	1,933,941
	43,853,938	42,419,312

26. FINANCE COSTS	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Interest Expenses on		
– Vehical loans	**492,626**	521,265
– Bank overdraft	**2,666,266**	3,767,887
– Term loans from other parties	**22,180,062**	29,854,790
	25,338,954	34,143,942

27 DEPRECIATION AND AMORTISATION	For the year ended 31- March- 2016 ₹	For the year ended 31- March- 2015 ₹
Depreciation and amortisation		
– Tangible fixed assets *(refer note 13)*	**9,408,967**	7,885,086
– Intangible fixed assets *(refer note 13)*	**—**	698,250
– Investment property	**15,660**	6,718
	9,424,627	8,590,054
Less: Transitional impact of depreciation / amortisation of Schedule II to the Companies Act,2013 * *(refer not below)*	**—**	(1,103,362)
	9,424,627	7,486,692

Note : During the previous year, the management of the Company had reviewed and determined remaining useful life of the fixed assets in accordance with the provisions of Schedule II, to the Companies Act, 2013 and depreciation / amortisation has been charged as against the earlier practice of charging depreciation / amortisation as per Schedule XIV to the Companies Act,1956. Due to this change in depreciation was higher by ₹ 1,103,362 and have been disclosed as "Exceptional items" in the Consolidated Statement of Profit & Loss in the previous year.

28 OTHER EXPENSES		For the year ended 31- March- 2016 ₹		For the year ended 31- March- 2015 ₹
Electricity charges		**582,789**		613,361
Donations		**118,000**		60,000
Advertisement and business promotion expenses		**1,549,305**		645,840
Motor car expenses		**1,301,515**		1,868,539
Net loss on foreign exchange fluctuations		**—**		6,029
Rent		**24,000**		162,300
Rates and taxes		**1,711,115**		267,998
Commission and brokerage		**33,344,373**		—
Insurance		**434,598**		491,796
Repairs and maintenance				
– Building	**3,388,762**		3,711,068	
– Others	**1,378,004**	**4,766,766**	731,571	4,442,639
Travelling and conveyance		**4,620,074**		5,329,369
Office expenses		**1,381,266**		2,722,965
Communication expenses		**1,147,153**		1,208,864

28 OTHER EXPENSES (Contd..)		For the year ended 31- March- 2016 ₹		For the year ended 31- March- 2015 ₹
Printing and stationery		**906,348**		344,898
Provision for diminution in value of current investments		**1,444,396**		128,621
Provision for diminution in value of stock-in-trade		**—**		531,613
Legal and professional fees		**21,749,856**		20,036,209
Directors' sitting fees		**35,000**		40,000
Postage and telegraph		**219,177**		104,594
Auditors' Remuneration (excluding applicable taxes)				
– Statutory audit fees	**722,500**		1,095,000	
– Tax audit fees	**125,000**		125,000	
– Other sevices	**200,000**		150,000	
– Reimbursement of expenses	**7,000**		63,385	
		1,054,500		1,433,385
Membership and subscription		**2,254,557**		3,576,621
Sundry balances written off		**—**		2,200,000
Net loss from trading in securities		**5,202,331**		—
Loss on sale of fixed assets		**250,361**		219,677
Stock exchange expenses		**1,451,936**		1,750,400
Bank charges		**878,910**		1,032,944
Bad debts		**1,109,889**		973,702
Miscellaneous expenses		**1,367,221**		1,167,937
		88,905,436		51,360,301

29 CONTINGENT LIABILITIES

(to the extent not provided for)

(I) Keynote Corporate Services Limited

(a) The Company has provided corporate guarantees aggregating to ₹ 220,000,000 (Previous year ₹ 220,000,000) to the bankers of its subsidiary, Keynote Capitals Limited towards BSE & NSE operations.

(b) During the year the Company has received a communication from the Ruby Mills Limited (premises in which the Company owns office space) requesting the Company to make the payment of Company's share of property tax payable to Brihanmumbai Mahanagar Palika amounting to ₹ 88,04,205/- for the period between October 2011 to March 2015 of which 50% is payable by Keynote Capitals Limited, subsidiary company. The Company has represented to Brihanmumbai Mahanagar Palika on the grounds that the Company is entitled to exemption under Information Technology Policy of Government of Maharashtra as it has ITES registration in place besides there being discrepancy in the carpet area of its premises,basis which the share of such tax amounts to around ₹ 15,00,000 only. The Company has submitted relevant documents substantiating its submissions to the concerned Regulatory Authority. Accordingly, based on the calculations made by the Company, an amount of ₹ 7,50,000/- has been paid to Brihanmumbai Mahanagar Palika(further amount of ₹ 7,50,000/- is separately paid by the subsidiary company) and charged to statement of Profit & Loss. Pending response from the Brihanmumbai Mahanagar Palika, no further provision has been recognised by the Company.

(II) Keynote Capitals Limited

(a) The Company had filed an appeal for Assessment Year 2011-12 before the Commissioner of Income Tax (Appeals), against the total disputed liability of ₹ 7,42,946.

(b) The company had filed an appeal for Assessment Year 2012-13 before the Commissioner of Income Tax (Appeals) against the total disputed liability of ₹ 2,21,950.

The Company has not made any provisions in respect of above matters which are pending before various appellate authorities, since we have been advised by the tax consultant, that in the previous two assessment years the judgement has been in favour of the company. Hence no liability has been provided for the same in the financial statements.

(c) The Company has been filed an Arbitration Petition in the High Court, Mumbai against arbitrary order of Appellate bench of National Stock Exchange of India Limited amounting to ₹ 2,35,16,348 in the matter of "Eco Recycling Limited v Keynote Capitals Limited" and as on date the arbitration petition is duly admitted in the Hon'ble High Court, Mumbai.

The Management of the Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

(III) Keynote Fincorp Limited

Contingent liability not provided for in respect of disputed income tax demand of ₹ 5,38,36,990 for Assessment Year 2012-13 & ₹ 5,64,61,650/- for Assessment Year 2013-14 respectively, as the company has contested the entire demand before first Appellant Authority.

The Management of the Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

30 SEGMENT INFORMATION

(I) Primary Segment

(a) The business segment has been considered as the primary segment for disclosure.The Company's primary business comprises of Merchant Banking & related activities, Broking & related activities, Trading in securities and Financing Activities.Further,the identified business segments have been identified as per the criteria specified in Accounting Standard (AS) 17 "Segment Reporting".

(b) The business segments have been identified based on the dominent source, the nature of services,the differing risks and returns,the organisational structure and the internal financial reporting system.The accounting policies and principles adopted for segment reporting are in confirmity with the significant accounting policies of the Company.

(c) Broking and other related activities include broking services to clients,advisory services, depository services etc.

(d) Investment banking represents results of raising financial capital by underwriting or acting as the client's agent in the issuance of securities.

(e) Income and expenses have been specifically identified to a segment,based upon the relationship with the operating activities for each segment.Further,income and expenses which relate to enterprise as a whole and are not allocable to any segment, on reasonable basis have been disclosed as "Unallocable".

(g) Segment Assets and liabilities represents the assets and liabilities in respective segments.Further, investments, tax related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

The folowing table gives information as required under the Accounting Standard (AS) - 17 "Segment Reporting" **(Amount in Rupees)**

	Merchant Banking & related activities		Broking & related activities		Trading in Securities		Financing Activities		Unallocated		Elimination		Total	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Segment Revenue														
Sale of services	**119,637,207**	40,867,038	**31,290,589**	42,987,696	**16,434,981**	13,934,636	**36,849,448**	33,553,261	**10,356,699**	1,989,272	**1,451,702**	1,451,702	**213,117,222**	131,880,201
Inter-segment revenue	**—**	—	**—**	—	**—**	—	**—**	—	**—**	—	**—**	—	**—**	—
Total Income	**119,637,207**	40,867,038	**31,290,589**	42,987,696	**16,434,981**	13,934,636	**36,849,448**	33,553,261	**10,356,699**	1,989,272	**1,451,702**	1,451,702	**213,117,222**	131,880,201
Segment Results														
Segment Results	**69,506,100**	(6,663,342)	**(36,826,106)**	(4,755,729)	**3,466,508**	12,720,387	**15,190,503**	2,730,980	**2,390,435**	(2,664,915)	**1,451,702**	—	**52,275,737**	1,367,382
Un-allocated expenses													**—**	—
Operating profit													**52,275,737**	1,367,382
Interest Expenses													**6,681,470**	4,897,428
Interest Income													**19,325,805**	30,021,557
Profit before exceptional items and tax													**64,920,072**	26,491,511
Exceptional items													**—**	1,103,362
Profit before tax													**64,920,072**	25,388,149
Tax expense													**19,887,348**	8,471,494
Profit after tax and exceptional items													**45,032,724**	16,916,655
Other Information														
Segment Assets	**118,671,326**	126,772,241	**519,938,357**	212,167,264	**159,478,289**	61,078,330	**134,955,494**	266,573,427	**76,586,666**	317,059,525	**—**	—	**1,009,630,131**	983,650,787
Segment Liabilities	**6,810,859**	10,996,014	**270,552,420**	118,761,373	**269,685**	3,129,924	**35,832,863**	140,148,615	**32,661,738**	85,264,917	**—**	—	**346,127,565**	358,300,843
Capital Expenditure	**148,383**	77,800	**5,051,311**	1,325,755	**—**	—	**—**	—	**—**	—	**—**	—	**5,199,694**	1,403,555
Depreciation & amortisation	**4,402,795**	5,150,568	**5,021,832**	3,439,486	**—**	—	**—**	—	**—**	—	**—**	—	**9,424,627**	8,590,054
Non-cash expenses other than depreciation	**970,995**	660,764	**389,255**	3,050,579	**1,444,396**	128,621	**—**	—	**—**	—	**—**	—	**2,804,646**	3,839,964

(II) Secondary Segment

Since the business operations of the Company are primarily concerntrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographical segment

31 EARNINGS PER SHARE

The disclosure requirements with respect of accounting standard (AS) 20 on "Earnings per share" are as follows:

Particulars	31 March 2016	31 March 2015
Net profit after tax	**45,032,724**	16,916,655
Number of equity shares outstanding at the end of the year (Face value of ₹ 10/- each) *(refer note below)*	**5,566,637**	5,566,637
Earnings per share: Basic and diluted (₹)	**8.09**	3.04

Note : Keynote trust has been consolidated.Consequently,the shares held by Keynte trust in Keynote Corporate Services Limited i.e.14,51,702 shares (P.Y 14,51,702) have been eliminated while computing the earning per share.

32 THE PROVSIONS MADE DURING THE YEAR ENDED 31 MARCH 2016 COMPRISES OF THE FOLLOWING :

Particulars	Balance as at 01 April , 2015	Provisions made during the year	Reversal of provisions / payments during the year	Balance as at 31 March, 2016
Bonus	1,658,755 (2,179,943)	2,603,454 (2,171,510)	2,579,060 (2,692,698)	1,683,149 (1,658,755)
Gratuity	5,020,954 (5,257,034)	283,043 (557,429)	612,226 (793,509)	4,691,771 (5,020,954)
Leave encashment	288,187 (472,910)	641,918 (347,046)	583,738 (531,769)	346,367 (288,187)

(Figures in brackets indicate previous year's figures)

33 LEASES

The following are the disclosures in accordance with Accounting Standard (AS) 19 on "Leases" are as follows

Operating lease as lessor

The Company has given a commercial property on non-cancellable operating lease. The corresponding lease agreement provides for an option to the Company to renew the lease period at the end of non-cancellable period.Accordingly,the lease rentals amounting to ₹ 1,485,410 (Previous Year: ₹ 1,461,060) has been recognised as income in the Consolidated Statement of Profit and Loss under Note 24 - "Other Income"

There are no exceptional / restrictive covenants in the lease agreement.

The future minimum lease payments in respect of lease property is as follows:

Lease payments	**31 March 2016**	**31 March 2015**
Not later than one year	**1,607,160**	1,485,410
Later than one year but not later than 5 years	**1,205,370**	2,812,530
Later than 5 years	**—**	—

34 DISCLOSURES AS REQUIRED BY ACCOUNTING STANDARD (AS) 18 - RELATED PARTY DISCLOSURES

(i) Category of related parties

(a) Key Management Personnel:

Mr. B.Madhuprasad - Chairman

Mr. Vineet Suchanti - Managing Director, Keynote Corporate Services Limited

Mr.Rakesh Choudhari - Managing Director, Keynote Capitals Limited

Mr. Uday Patil - Director & Chief Financial Officer

Ms. Saloni Maru - Company Secretary *(from 25 February 2016)*

Ms.Shruti Deshmukh - Company Secretary *(upto 11 February 2016)*

Mr.Yatin Sangani - Company Secretary *(upto 18 October 2014)*

(b) Relatives of Key Management Personnel:

Mrs. Pushpa Suchanti

Mrs. Rinku Suchanti

Mr.Nirmal Suchanti

(c) Enterprise over which Key Management Personnel exercise significant influence:

Concept Communication Limited

Concept Production Limited

Nirmal Suchanti - HUF

NSS Digital Media Limited

Eagle Eye Research & Media Private Limited

Mitcon Consultancy & Engineering Services Limited

Akshara Advertising Limited

Concept Public Relation India Limited

Liqvd Digital India Private Limited

ITSA Brand Innovations Limited

ii) Transactions with related parties:

(Amount in ₹)

Particulars	**Name of the related Party**	**Key Management Personnel/Relatives of Key Managerial personnal**		**Enterprise over which Key Management Personnel exercise significant influence**		**Total**	
		31 March 2016	**31 Mach 2015**	**31 March 2016**	**31 Mach 2015**	**31 March 2016**	**31 Mach 2015**
Providing of services	Mitcon Consultancy & Engineering Services Limited	—	—	—	1,685,400	—	1,685,400
		—	**—**	**—**	**1,685,400**	**—**	**1,685,400**
Receiving of services	Concept Communication Limited	—	—	121,390	86,905	121,390	86,905
		—	**—**	**121,390**	**86,905**	**121,390**	**86,905**
Managerial Remuneration	Mr. Vineet Suchanti	4,748,306	4,691,023	—	—	4,748,306	4,691,023
Managerial Remuneration	Mr.Rakesh Choudhari	3,537,000	3,510,000	—	—	3,537,000	3,510,000
Managerial Remuneration	Mr. Uday Patil	3,901,366	4,060,300	—	—	3,901,366	4,060,300
Remuneration	Ms.Saloni Maru	39,179	—	—	—	39,179	—
Remuneration	Ms.Shruti Deshmukh	79,791	—	—	—	79,791	—
Remuneration	Mr.Yatin Sanghani	—	144,283	—	—	—	144,283
		12,305,642	**12,405,606**	**—**	**—**	**12,305,642**	**12,405,606**
Professional Fees	Mr. B.Madhuprasad	1,050,000	2,100,000	—	—	1,050,000	2,100,000
		1,050,000	**2,100,000**	—	—	**1,050,000**	2,100,000
Recovery of excess managerial remuneration	Mr. B.Madhuprasad	1,650,000	—	—	—	1,650,000	—
		1,650,000	**—**	—	—	**1,650,000**	**—**
Dividend paid	Mrs. Pushpa Suchanti	132,308	132,308	—	—	132,308	132,308
Dividend paid	Mrs. Rinku Suchanti	3,802	3,802	—	—	3,802	3,802
Dividend paid	Mr. B.Madhuprasad	48,550	48,550	—	—	48,550	48,550
Dividend paid	Mr. Vineet Suchanti	11,977	11,977	—	—	11,977	11,977
Dividend paid	Mr.Nirmal Suchanti	117,647	117,647	—	—	117,647	117,647
Dividend paid	Concept Production Limited	—	—	241,600	241,600	241,600	241,600
Dividend paid	NSS Digital Media Limited	—	—	2,932,256	2,932,256	2,932,256	2,932,256
Dividend paid	Nirmal Suchanti - HUF	—	—	282,499	282,499	282,499	282,499
		314,284	**314,284**	**3,456,355**	**3,456,355**	**3,770,639**	**3,770,639**
Security deposit paid	Mr. B.Madhuprasad	—	300,000	—	—	—	300,000
		—	**300,000**	**—**	**—**	**—**	**300,000**
Interest received	Eagle Eye Research & Media Private Limited	—	—	21,087	470	21,087	470
Interest received	Concept Communication Limited	—	—	8,247,145	7,946,301	8,247,145	7,946,301
Interest received	Concept Public Relation India Limited	—	—	18,000	—	18,000	—
Interest received	Akshara Advertising Limited	—	—	4,303	—	4,303	—
Interest received	Liqvd Digital India Private Limited	—	—	541,866	—	541,866	—
Interest received	ITSA Brand Innovations Limited	—	—	3,507	129,431	3,507	129,431
		—	**—**	**8,835,908**	**8,076,202**	**8,835,908**	**8,076,202**

(Amount in ₹)

Particulars	Name of the related Party	Key Management Personnel/Relatives of Key Managerial personnal		Enterprise over which Key Management Personnel exercise significant influence		Total	
		31 March 2016	31 Mach 2015	31 March 2016	31 Mach 2015	31 March 2016	31 Mach 2015
Loans and advances given	Eagle Eye Research & Media Private Limited	—	—	172,000	65,000	172,000	65,000
Loans and advances given	Akshara Advertising Limited	—	—	3,500,000	—	3,500,000	—
Loans and advances given	Concept Public Relation India Limited	—	—	4,200,000	—	4,200,000	—
Loans and advances given	Liqvd Digital India Private Limited	—	—	8,000,000	—	8,000,000	—
Loans and advances given	ITSA Brand Innovations Limited	—	—	1,000,000	2,000,000	1,000,000	2,000,000
Loans given	Concept Communication Limited	—	—	—	20,000,000	—	20,000,000
		—	**—**	**16,872,000**	**22,065,000**	**16,872,000**	**22,065,000**
Loans repaid	Concept Communication Limited	—	—	56,077,570	—	56,077,570	—
Loans and advances repaid	Concept Public Relation India Limited	—	—	3,000,000	—	3,000,000	—
Loans and advances repaid	ITSA Brand Innovations Limited	—	—	1,000,000	2,000,000	1,000,000	2,000,000
		—	**—**	**60,077,570**	**2,000,000**	**60,077,570**	**2,000,000**
Reimbursement of expenses	Mr. Vineet Suchanti	2,500	137,402	—	—	2,500	137,402
Reimbursement of expenses	Mrs. Rinku Suchanti	19,401	—	—	—	19,401	—
Reimbursement of expenses	Mr. Uday S. Patil	2,500	2,500	—	—	2,500	2,500
		24,401	**139,902**	**—**	**—**	**24,401**	**139,902**
Outstanding balances :							
Loans given	Concept Communication Limited	—	—	13,922,430	70,000,000	13,922,430	70,000,000
Loans and advances given	Akshara Advertising Limited	—	—	3,500,000	—	3,500,000	—
Loans and advances given	Concept Public Relation India Limited	—	—	1,200,000	—	1,200,000	—
Loans and advances given	Liqvd Digital India Private Limited	—	—	8,487,679	—	8,487,679	—
Loans and advances given	ITSA Brand Innovations Limited	—	—	3,507	—	3,507	—
Loans and advances given	Eagle Eye Research & Media Private Limited	—	—	237,000	65,000	237,000	65,000
		—	**—**	**27,350,616**	**70,065,000**	**27,350,616**	**70,065,000**

35 Details of Scheme of amalgamation approved by the Hon'ble High Court

As per the scheme of amalgamation approved by the Allahabad, Bombay, and Gawahati High court vide order dated 21 December 2006, 09 March, 2007 and 19 March, 2007 respectively, ₹14,51,702 equity shares of ₹10/- each fully paid up is held by Keynote trust as a beneficiary of the Company. Due to such cross holding the dividend of ₹1,451,702 (Previous year ₹ 1,451,702) has been paid & received back from the trust. With respect to the Proposed Dividend of ₹ 1/- per share for March 31, 2016, the Company has adjusted its liability of proposed dividend towards shares held by the Trust.

36 Expenditure in foreign currency charged to Consolidated Statement of Profit & Loss:

Particulars	31 March 2016	31 March 2015
Travelling and conveyance	**2,209,621**	2,918,026
	2,209,621	2,918,026

37 EARNINGS IN FOREIGN CURRENCY :

Particulars	31 March 2016	31 March 2015
Income from ESOP Advisory	**—**	2,117,414
Income from Corporate Finance	**2,585,148**	2,400,000
	2,585,148	4,517,414

38 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURES :

Particulars	Foreign currency	Amount in foreign currency		Amount in Indian Currency	
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
Trade receivables	USD	**3,098.34**	3,098.34	**201,254**	185,382

39 DERIVATIVE TRANSACTIONS

Open long position in currency futures :

Name of the Future	31 March 2016			31 March 2015		
	No.of contracts	Units	Expiry date	No.of contracts	Units	Expiry date
Future IRC 2025	1	1,446	28-Apr-16	—	—	—

40 The previous year's consolidated financial statements have been audited by a firm other than S M S R & Co LLP

41 ADDITIONAL INFORMATION AS REQUIRED, UNDER SCHEDULE III OF COMPANIES ACT,2013,OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES:

Sr. No.	Name of Entity	As% of consolidated Net Assets	Amount (In ₹)	As% of consolidated Profit/(Loss)	Amount (In ₹)
Parent Company					
1	Keynote Corporate Services Limited	81.85%	497,519,488	77.21%	34,769,823
Indian Subsidiaries					
2	Keynote Capitals Ltd	34.93%	212,298,461	19.14%	8,618,673
3	Keynote Commodities Limited	3.02%	18,365,920	2.12%	952,815
4	Keynote Fincorp Limited	6.80%	41,312,036	7.77%	3,497,395
5	Keynote Trust	-0.03%	(182,307)	-0.07%	(33,530)
Total		126.57%	769,313,598	106.16%	47,805,176
Elimination Adjusted		-26.57%	(161,477,402)	-6.16%	(2,772,452)
Net Total		100.00%	607,836,196	100.00%	45,032,724
Mionority Interest in all subsidiaries		—	—	—	—
Grand Total		**100.00%**	**607,836,196**	**100.00%**	**45,032,724**

42 The following figures pertaining to the previous year have been regrouped or reclassified during the current year :

Nature of Item	Amount	Current Year Disclosure	Previous Year Disclosure
Provision for expenses	103,539	Trade payables	Short-term Provisions
Creditors for expenses	6,992,401	Trade payables	Other current liabilities
Provision for gratuity	1,519,578	Short-term Provisions	Long-term Provisions
Provision for bonus	1,658,755	Other current liabilities	Short-term Provisions

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration
No: 110592W/W100094

For and on behalf of the Board of Directors
Keynote Corporate Services Limited

Sd/-
Ravi Kapoor
Partner
Membership No : 040404

Sd/-
Vineet Suchanti
Managing Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Saloni Maru
Company Secretary

Date : 26th May 2016
Place : Mumbai

Date : 26th May 2016
Place : Mumbai

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

		For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
(A)	**Cash Flow From Operating Activities**		
	Profit before tax	**64,920,072**	25,388,149
	Adjustments for		
	Depreciation and amortisation	**9,424,627**	8,590,054
	Provision for diminution in value of investments	**1,444,396**	128,621
	Provision for diminution in value of stock-in-trade	**—**	531,613
	Provision for contingencies on standard assets	**(338,360)**	(173,617)
	Interest expenses	**4,954,616**	4,884,597
	Loss on sale of fixed assets	**250,361**	219,677
	Sundry balances written back	**(655,702)**	—
	Net Profit on sale of investments	**(15,512,256)**	(2,931,512)
	Dividend income	**(1,985,774)**	(1,057,513)
	Interest Income	**(32,416,943)**	(29,913,777)
	Rent Income	**(1,485,410)**	(1,461,060)
	Unrealised foreign exchange gain	**(15,872)**	—
	Operating profit before working capital changes	**28,583,755**	4,205,232
	Adjustment for working capital changes		
	(Increase)/decrease in trade and other receivables	**(11,402,102)**	28,265,636
	(Increase)/decrease in short-term loans and advances	**191,867,810**	46,040,093
	(Increase)/decrease in other current assets	**7,322,597**	(5,855,089)
	(Increase)/decrease in long-term loans and advances	**11,924,582**	100,416,011
	(Increase)/decrease in stock-in-trade	**(13,590,307)**	26,773,699
	(Increase)/decrease in other non-current assets	**(6,017,117)**	(6,082,883)
	Increase/(decrease) in long- term provisions	**(207,222)**	26,532
	Increase/(decrease) in short- term provisions	**(912,068)**	(1,486,963)
	Increase/(decrease) in short- term borrowings	**(87,793,300)**	125,098,610
	Increase/(decrease) in trade payables	**29,060,471**	(67,203,620)
	Increase/(decrease) in other long- term liabilities	**—**	300,000
	Increase/(decrease) in other current liabilities	**44,030,697**	(285,166,873)
	Cash generated from / (used) in operations	**192,867,796**	(34,669,615)
	Taxes paid	**(18,543,094)**	(8,184,758)
	Net cash generated from / (used) in operating activities (A)	**174,324,702**	(42,854,373)
(B)	**Cash Flow From Investing Activities**		
	Purchase of fixed assets	**(5,199,694)**	(1,403,555)
	Purchase of investments	**(114,542,059)**	(51,703,291)
	Bank deposits placed (net)	**(1,168,477)**	(13,111,641)
	Sale of fixed assets	**620,000**	80,000
	Intangible assets written off	**—**	2,200,000
	Sale of investments (net)	**15,512,219**	2,931,512
	Rent received	**1,485,410**	1,461,060
	Interest received	**32,416,943**	29,913,777
	Dividend received	**1,985,774**	1,057,513
	Net cash generated from / (used) in investing activities (B)	**(68,889,885)**	(28,574,625)
(C)	**Cash Flow From Financing Activities**		
	Dividend paid	**(5,566,637)**	(5,566,637)
	Dividend distribution tax paid	**(1,192,767)**	(1,192,767)
	Interest paid	**(4,954,616)**	(4,884,597)
	Loans taken	**2,438,500**	759,655
	Repayment of borrowings	**(4,623,974)**	(17,887,418)
	Net cash generated from / (used) in financing activities (C)	**(13,899,494)**	(28,771,764)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**91,535,323**	(100,200,762)
	Cash and cash equivalents as at beginning of year *(refer note 20)*	**16,868,426**	117,069,188
Cash and cash equivalents as at the end of the year *(refer note 20)*		**108,403,749**	16,868,426

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

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
Ravi Kapoor
Partner
Membership No : 040404

Date : 26th May 2016
Place : Mumbai

For and on behalf of the Board of Directors
Keynote Corporate Services Limited

Sd/-
Vineet Suchanti
Managing Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Saloni Maru
Company Secretary

Date : 26th May 2016
Place : Mumbai

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary Companies

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	212,298,461	18,365,920	41,312,036
Total Assets	524,764,417	111,123,538	145,353,275
Total Liabilities	524,764,417	111,123,538	145,353,275
Investment (Except investment in subsidiaries)	1,649,549	-	-
Turnover	103,326,606	3,723,686	27,862,798
Profit/(Loss) before Taxation	12,714,939	1,541,082	4,997,395
Add Excess Provision	-	-	-
Less Short Provision	-	-	-
Provision for Taxation	2,707,518	592,643	1,500,000
Deferred Tax (Asset) / Liability	1,388,748	(4,376)	-
Profit/(Loss) after Taxation	8,618,673	952,815	3,497,395

For on behalf of the Board of
KEYNOTE CORPORATE SERVICES LTD

Sd/-
Vineet Suchanti
Managing Director

Sd/-
Uday Patil
Director & CFO

Sd/-
Saloni Maru
Company Secretary

Place : Mumbai
Date : 26th May, 2016

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 – MGT - 11

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

Name and Address of the Member(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 Third Annual General Meeting of the Company, to be held on Friday, 29th July, 2016 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 (including Audited Consolidated Financial Statements) Statement for the Financial year ended 31st March, 2016 and the Reports of Directors and the Auditors thereon.		
2.	Approval for dividend of ₹ 1/- per Equity Shares of the Company for the Financial Year ended 31st March, 2016.		
3.	Re-appointment of Shri Vineet Suchanti (DIN - 00004031), who retires by rotation and being eligible, offers himself for re-appointment.		
4.	Re-appointment of M/s. S M S R & CO LLP Chartered Accountants, Mumbai (Firm Registration No. 110592W/W100094), as Statutory Auditors of the Company.		
5.	Variation in terms of appointment of Shri Vineet Suchanti, (DIN - 00004031) Managing Director of the Company.		
6.	Variation in terms of appointment of Shri Uday S. Patil, (DIN – 00003978) Whole Time Director of the Company.		
7.	Borrowing power under Section 180 (1)(c) of the Companies Act, 2013.		

Signed this _____ day of _____ 2016.

Affix a Rs.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 joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

KEYNOTE CORPORATE SERVICES LIMITED
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Registered Office: The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028
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Website: www.keynoteindia.net E-mail investors@keynoteindia.net

ATTENDANCE SLIP

Serial No.:

Registered Folio/ DP ID & Client ID	:	
Name and Address of the Shareholder(s)	:	
Joint Holder 1 Joint Holder 2		
No. of Shares held	:	

I/We hereby record my/our presence at the Twenty Third Annual General Meeting of the Company being held on Friday, 29th July, 2016 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

Signature of the Shareholder/Proxy/Authorized Representative: _____

Please fill in the attendance slip and hand it over at the entrance of the meeting hall. Please bring your copy of the annual report for reference at the Meeting.

(To be retained with the members)

ELECTRONIC VOTING PARTICULARS

The Company is providing facility for remote e-voting (i.e. voting from a place other than venue of Annual General Meeting) and the business as set out in the notice of Annual General Meeting (AGM) dated 26th May, 2016 may be transacted by the members through such voting. The remote e-voting facility is provided through e-voting platform of Central Depository Services (India) Limited (CDSL)

The detailed instructions for remote e-voting are given in the AGM notice. The particulars for Remote e-voting are as under:

EVSN Electronic Voting Sequence Number	User ID	PASSWORD/ SEQUENCE NO *
160601002		Read Note No. 2

1. * To be used in the PAN field for password creation after logging on to www.evotingindia.com **only by the members** who are first time users and who have not updated their PAN with the Company Depository Participant.
2. Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip/Address Sticker .

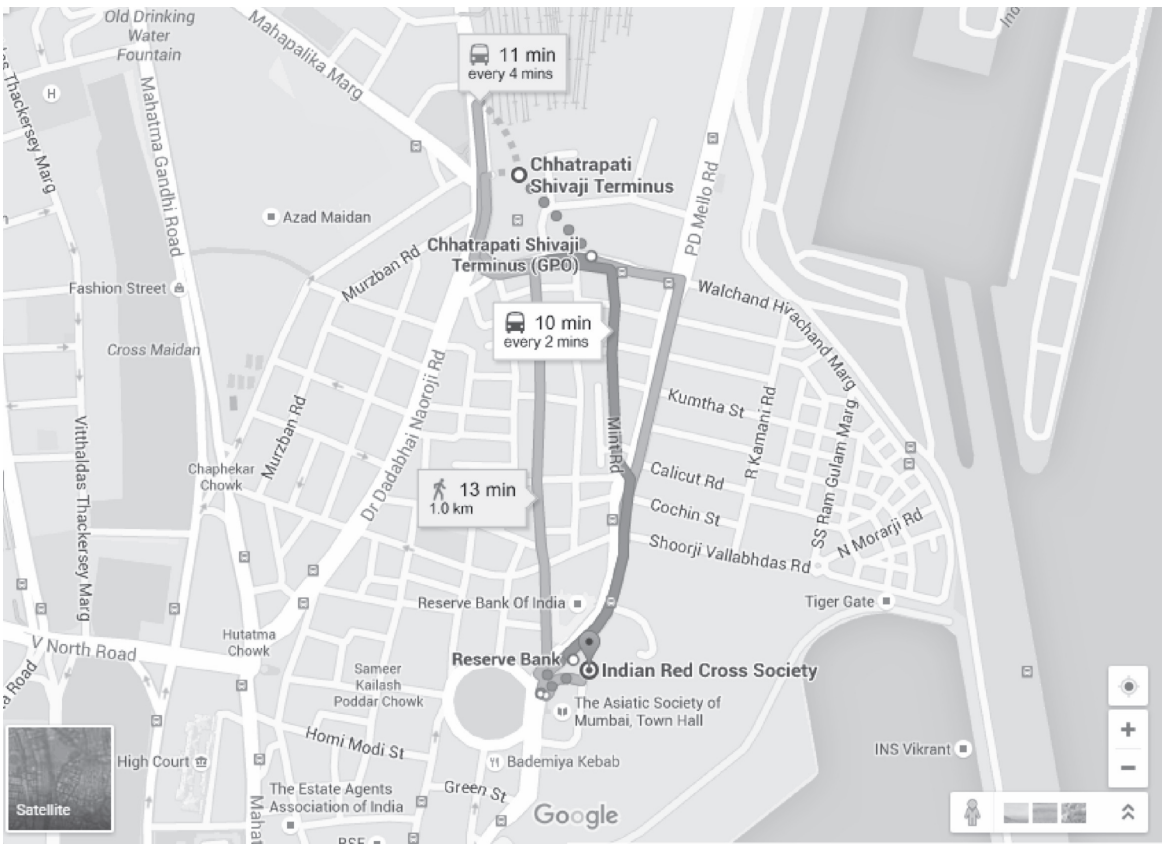
Please read the detailed instructions for remote-e-voting given in the AGM notice before voting.

The e-voting facility will be available during the following voting period.

Commencement of e-voting		End of e-voting
26th July, 2016 at 10.00 a.m.	:	28th July, 2016 at 5.00 p.m.

The above details form an integral part of the AGM notice.

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING OF THE COMPANY DATED 29TH JULY, 2016



BY COURIER

If undelivered, please return to:

KEYNOTE CORPORATE SERVICES LIMITED

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