

**28TH
ANNUAL
REPORT
2013-2014**



KEY CORP LIMITED

**BOARD OF DIRECTORS**

Dr. Gaur Hari Singhania, *Chairman*
Dr. K. B. Agarwal, *Vice-Chairman*
Dr. B. D. Agarwal
Shri Padam Kumar Jain
Shri Raj Kumar Gupta
Shri G. D. Maheshwari, *Executive Director*

COMPANY SECRETARY

Shri S. N. Tripathi

**JOINT SECRETARY/
COMPLIANCE OFFICER**

Shri V. K. Pandey

CHIEF FINANCE OFFICER

Shri R. N. Singh

AUDITORS

M/s V. P. Aditya & Co.
Chartered Accountants
Kanpur - 208 001

LEGAL ADVISOR

Shri Ravindra Verma

BANKERS

Bank of Baroda
Indian Overseas Bank
State Bank of India
ICICI Bank Ltd.

REGISTERED OFFICE

16/16-A, Civil Lines,
Kanpur - 208 001

NOTICE

Notice is hereby given that the 28th Annual General Meeting of Members of Key Corp Limited will be held on Saturday, the 23rd August, 2014 at 10:00 a.m. at the Registered Office of the Company at 16/16-A, Civil Lines, Kanpur to transact the following business:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014, and the Statement of Profit & Loss for the year ended on that date together with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Dr. B.D. Agarwal (holding DIN No. 00235154) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification(s) the following resolutions as Special Resolution:

"RESOLVED THAT pursuant to provisions of section 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 and the rules framed there-under (including any statutory modification(s) or re-enactment there of for the time being in force) read with schedule iv to the Companies Act, 2013 Dr. Gaur Hari Singhania (holding DIN No. 00054848), Director of the Company who retires by rotation at the Annual General Meeting and in respect or whom the Company has received a notice in writing from a member proposing his candidature for the office of the director be and is hereby appointed as an independent director to hold office for five consecutive years for a term upto 31.03.2019".
5. "RESOLVED THAT pursuant to provisions of section 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 and the rules framed there-under (including any statutory modification(s) or re-enactment there of for the time being in force) read with schedule iv to the Companies Act, 2013 Shri Padam Kumar Jain (holding DIN No. 00176945), Director of the Company who retires by rotation at the Annual General Meeting and in respect or whom the Company has received a notice in writing from a member proposing his candidature for the office of the director be and is hereby appointed as an independent director to hold office for five consecutive years for a term upto 31.03.2019".
6. "RESOLVED THAT pursuant to provisions of section 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 and the rules framed there-under (including any statutory modification(s) or re-enactment



there of for the time being in force) ready with schedule iv to the Companies Act, 2013 Shri Raj Kumar Gupta (holding DIN No. 00200238), Director of the Company who retires by rotation at the Annual General Meeting and in respect or whom the Company has received a notice in writing from a member proposing his candidature for the office of the director be and is hereby appointed as an independent director to hold office for five consecutive years for a term upto 31.03.2019".

Regd. Office :
16/16-A, Civil Lines,
Kanpur – 208 001

By Order of the Board
G.D. Maheshwari
Executive Director

Dated : 24th May, 2014

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. A proxy form duly completed and signed should be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 16th August 2014 to 23rd August, 2014 (both days inclusive).
3. Members who are holding shares in identical order of names in more than one folio are requested to write to the Registrar & Share Transfer Agent of the Company for consolidation of their holding in one folio.
4. Members are requested to inform the change, if any, in their registered addresses to the Registrar & Transfer Agent of the Company M/s. ABS Consultants Pvt Ltd. 99, Stephen House, 6th Floor, 4, B.B.D. Bag (E), Kolkata-700 001.
5. Dr. B.D. Agarwal, aged 70 years, retires by rotation at the ensuing Annual General Meeting. He was appointed in the year 1995. He is M.Sc. & Ph.D. and possess 39 years experience in research and administration. He is not directly interested as Director in any other company.

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By Order of the Board
G.D. Maheshwari
Executive Director

Dated : 24th May, 2014

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (CORRESPONDING SECTION 173(2) OF THE COMPANIES ACT, 1956) ON ITEM NO. 4, 5 & 6 :

Independent directors Dr. Gaur Hari Singhania, Shri Padam Kumar Jain and Shri Raj Kumar Gupta have completed their 5 years term. In terms of section 159 and any other applicable provisions of the Companies Act, 2013 Dr. Gaur Hari Singhania, Shri Padam Kumar Jain and Shri Raj Kumar Gupta being eligible and offering themselves for appointment are proposed to be appointed as independent directors for 5 consecutive years for a term upto 31.03.2019. Respective notices have been received from member(s) proposing their candidature for the office of the directors of the Company. In the opinion of the Board Dr. Gaur Hari Singhania, Shri Padam Kumar Jain and Shri Raj Kumar Gupta fulfills the conditions specified in Companies Act, 2013 and rules framed there under for their re-appointment as independent directors of the Company. Given below are the brief resume of Dr. Gaur Hari Singhania, Shri Padam Kumar Jain and Shri Raj Kumar Gupta pursuant to clause 49 of the Listing Agreement:

Dr. Gaur Hari Singhania (DIN NO. 00054848)

Dr. Gaur Hari Singhania is non executive independent Director. He holds the Master of Art Degree in Economics and Ph.D. Degree in Economics from Agra University. He has Corporate experience spanning 55 years. He is also Chairman of the Jay Kay Enterprises Ltd., J.K.Cement Ltd., J.K. Cotton Ltd., J.K. Traders Ltd, Yadu International Ltd. and G.H.Securities (P) Ltd.. He has held the position of Chairman of the Merchant Chambers of Uttar Pradesh and Employees Association of Northern India.

Shri Padam Kumar Jain (DIN NO. 00176945)

He holds the Master Degree in Commerce. He is the Ex-president of U.P. Stock Exchange Association Ltd., Kanpur. He holds experience in Secondary market operation for more than 43 years. He is Director in SPFL Securities Ltd., Padam Kumar Jain Real Estate (P) Ltd. and Member of the Governing Council of Merchants Chamber of Uttar Pradesh.

Shri Raj Kumar Gupta (DIN NO. 00200238)

He holds the Degree of Commerce and is a Practicing Chartered Accountant (FCA). He has more than 25 years experience in Accounts/Audit & Taxation. He is Partner of M/s. Nand Raj Associates (CA) and is a Director in Samaridh Consultants (P) Ltd.

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By Order of the Board
G.D. Maheshwari
Executive Director

Dated : 24th May, 2014



KEY CORP LIMITED

Remaining part of the Notice dated 24.05.2014 for the financial year ended 31.03.2014.

The Ministry of Corporate Affairs has taken "Green Initiative" in the Corporate Governance by allowing paperless compliance by the Companies and has issued circular stating that service of notice/documents including annual return can be sent by e-mail to its members. In this regard we solicit your cooperation to update our data bank. Members are requested to intimate their e-mail addresses, contact number at our e-mail address i.e. keycorppltd@gmail.com. Members who have shares in physical form are requested to intimate their e-mail addresses, contact number in our email keycorppltd@gmail.com.

- I. In terms of section 107 & 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rule, 2014. The Company providing its members to facilitate to exercise their right to vote at the meeting by electronic means on any or all of the business specified accompanying notice. Necessary arrangements have been made by the Company with CDSL to facilitate e-voting, E-VOTING as optional and members shall have an option to vote either through e-voting or in person at the General Meeting.

The procedure and instructions for voting through electronic means are as under :-

- a. Log on to the e-voting website : www.evotingindia.com during the voting period.
- b. Click on "Shareholders" tab
- c. Now, select Electronic Voting Sequence No. as mentioned in the Attendance Slip alongwith "KEY CORP LIMITED" from the drop down menu and click on "SUBMIT".
- d. Now Enter your User ID (as mentioned in the Attendance Slip) :
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e. Next enter the Image Verification as displayed and Click on Login.
- f. 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.
- g. However, if you are a first time user, please use the e-Voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes :
- h. After entering these details appropriately, click on "SUBMIT" tab.
- i. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach Password Creation' menu wherein they are required to mandatory 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.
- j. For Members holding shares in physical form, the details in Attendance Slip can be used only for e-voting on the resolutions contained in this Notice.
- k. Click on the relevant EVSN "KEY CORP LIMITED" for which you choose to vote.
- l. 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.

contd....

- m. Click on the "Resolutions File Link" if you wish to view the entire Resolution
- n. 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.
- o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- q. If Demat account holder has forgotten the **changed password** then enter the User ID and image verification code, click on Forgot Password & enter the details as prompted by the system.
- r.
 - Institutional shareholders (i.e. other than Individuals, H U F, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to heldesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Authorised Person/Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com. You can also contact the helpdesk on the toll free number: 1800-200-5533.

III. The e-voting period begins from **17.08.2014 from 9.00 A.M. and ends on 19.08.2014 till 5.00 P.M.** During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of **11.07.2014** 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 the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.

IV. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off/entitlement date of **11/07/2014**.

V. Ms. Vibha Mehrotra & Company, A Practicing Company Secretary, C.P. Membership No. 3103 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VI. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared on or after the 28th Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the 28th Annual General Meeting (AGM) of the Company on **23rd August'2014** and communicated to the Stock Exchange(s).



DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the 28th Annual Report and Audited Accounts of the Company for the year ended 31st March, 2014.

			(₹ in lakhs)	
			31.3.2014	31.3.2013
FINANCIAL RESULTS				
Income from Operations	...	...	74.14	102.31
Income from Investment in Mutual Fund	...	...	116.65	103.34
Other Income	...	...	0.22	0.24
Less : Operating Expenditure	...	...	58.20	54.69
Profit Before Depreciation and Finance Cost	...	...	132.81	151.80
Less : Depreciation	...	...	2.10	2.26
Less : Finance Cost	...	...	0.17	0.21
Net Profit for the Year before Tax	...	...	130.54	149.33
Less : Provision for Income tax	...	...	6.24	9.19
Less : Provision for Deferred Tax	...	...	(2.14)	(0.56)
Profit after Tax	...	...	126.44	140.70
Balance of Profit brought forward	...	...	28.50	37.16
Amount available for appropriation after adjustments	...	...	154.94	177.86
APPROPRIATION TO				
General Reserve	...	...	125.00	150.00
Balance carried over	...	...	29.94	27.86

DIVIDEND

In order to build up resources your Directors do not recommend payment of dividend for the Financial Year 2013-14.

PERFORMANCE

Looking to the highly competitive market scenario, your Company has done well. The Company is concentrating in building up sound port-folio of old vehicles and to utilise the surplus funds in mutual fund schemes to augment income.

DIRECTORS

Dr. B.D. Agarwal is retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. As per provisions of Companies Act, 2013, independent directors Dr. Gaur Hari Singhania (DIN No. 00054848), Shri Padam Kumar Jain (DIN No. 00176945) and Shri Raj Kumar Gupta (DIN No. 00200238), have completed their five years term and as per provisions of the Companies Act, 2013 they are to be appointed as Independent Directors for five consecutive years upto 31st March, 2019.

AUDITORS

M/s V. P. Aditya & Company. Chartered Accountants, Kanpur, Auditors of the Company retire at the forthcoming Annual General Meeting. They are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

There was no employee in the Company whose particulars are required to be furnished u/s 217(2A) of the Companies Act, 1956.

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

The Company has no activities relating to conservation of energy or technology absorption. There is no foreign exchange earning and outgo during the year.

LISTING INFORMATION

The equity shares of your Company is listed with Bombay Stock Exchange Ltd., Mumbai. The shares of the Company has been delisted from U.P. Stock Exchange Ltd., Padam Towers, Civil Lines, Kanpur w.e.f. 21st August, 2013.

The Company's shares are marketable in Demat mode only. Shareholders are requested to convert their physical shareholding into Demat mode.

INCOME TAX PROCEEDINGS

Company's assessments are completed upto the assessment year 2012-13.

AUDIT COMMITTEE

During the year the committee held four meetings.

REMUNERATION COMMITTEE

During the year the committee held two meetings.

SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

During the year the committee held seven meetings.

CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with Stock Exchanges, a report on Corporate Governance and a certificate from the Auditor's confirming compliance forms part of this report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

In terms of Clause 49 of Listing Agreement of the Stock Exchanges, Management Discussions and Analysis Report forms part of this report.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors confirm :

- I. that in the preparation of Annual Accounts, the applicable accounting standards had been followed;
- II. that the directors have selected such accounting policies & applied them consistently and made judgments & estimates that are reasonable & 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 ended 31st March, 2014 and of the profit of the Company for that year;
- III. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. that the directors have prepared the annual accounts on a going concern basis.

Place : Kanpur
Dated : 24th May, 2014

For and On behalf of the Board
DR. GAUR HARI SINGHANIA
Chairman



MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

I) STRUCTURE AND DEVELOPMENT :

Your Company is an registered NBFC and is engaged in finance business since inception from 1986. The Company's thrust area is vehicle financing, particularly in old vehicle finance. The Company has developed expertise in financing and recovery of its loan and built up sound portfolio of old vehicles. The business activities of the Company are mainly concentrated in U.P. where it has found enough scope.

II) OPPORTUNITIES AND THREATS :

With the growth in economy, particularly the service sector, there is ample scope for vehicle financing which is company's thrust area. Company has developed expertise during the period of 28 years in financing of used vehicles. Company looks forward to avail such opportunities by expanding area net-work.

However, as the vehicle financing is high risk area, particularly in the northern region where the company is operating, it is moving forward with caution. Moreover there is severe competition from the organized banking sector particularly, private sector banks.

III) PRODUCT-WISE PERFORMANCE :

The company is not a manufacturing company and is engaged only in vehicle financing. The performance of the company has been satisfactory looking to global down turn.

IV) OUTLOOK :

As has been explained above, future business scenario is hopeful.

V) RISKS AND CONCERNS :

Risk is an inherent part of finance business. Your company, however, has taken steps in strengthening the risk management systems and practices. The company is continuously monitoring the business by deputing recovery managers. Company during the last several years has not lost any money in recovering its loans.

VI) INTERNAL CONTROL SYSTEM :

The company has adequate Internal Control System commensurate with the size and nature of its business with regard to finance, recovery and investment.

VII) OPERATIONAL PERFORMANCE :

Looking to the highly competitive and subdued economic conditions, your company has done well and has secured the business to the tune of Rs. 214.49 lacs.

VIII) HUMAN RESOURCES :

The company has a professional team to control its day to-day activities under the guidance of the Executive Director.

REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance in the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is set out below :

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance envisages the attainment of the highest level of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees and the clients. The company believes that all its operations and actions must serve the goal of enhancing overall shareholder value over a sustained period of time.

2. BOARD OF DIRECTORS

The present strength of the Board of Directors is Six, whose composition is given below :
One promoter Non-Executive & Non-Independent Director, Three Independent Non-Executive Directors, One Non-Independent Non-Executive Director and One Non-Independent Executive-Director.

The Board of Directors met 5 times during the year. These were on **12/04/2013, 18/05/2013, 03/08/2013, 19/10/2013 and 24/01/2014.**

The Composition of the Board of Directors, attendance of Directors at the Board Meetings and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other Companies are given below :

Name of Directors	Category	No. of Board Meetings Held	No. of Board Meetings Attended	Attend-ance of the last AGM held on 10.08.2013	No. of Directorship in other Companies		No. of Membership in Committee of Directors in other Companies	
					Chairman	Director	Chairman	Member
Dr. Gaur Hari Singhania Chairman	Independent Non-Executive	5	1	No	6	6	-	-
Dr. K. B. Agarwal Vice-Chairman	Promoter Non-Independent Non-Executive	5	5	Yes	-	3	3	3
Dr. B. D. Agarwal Director	Non-Independent Non-Executive	5	3	No	-	-	-	-
Shri Padam Kumar Jain Director	Independent Non-Executive	5	4	Yes	-	2	-	-
Shri Raj Kumar Gupta Director	Independent Non-Executive	5	4	Yes	-	1	-	-
Shri G.D. Maheshwari Director	Non-Independent Executive	5	5	Yes	-	-	-	-

CODE OF CONDUCT :

The CEO of the Company has submitted his report regarding Code of Conduct by the Directors and Senior Management for the year ended 31st March, 2014 and the same is annexed with this report.

3. AUDIT COMMITTEE

A. Composition and Broad Terms of Reference

The Audit Committee of the Company comprises of following three directors :

- Shri R.K. Gupta : Independent, Non Executive Director & Chairman of the Committee
- Shri Padam Kumar Jain : Independent, Non Executive Director
- Shri G.D. Maheshwari : Non-Independent, Executive Director



All these Directors possess knowledge of Corporate Finance/Accounts/Company Law. The Statutory Auditors attend the meetings as invitees.

The terms of reference of this Committee covers the matters specified for Audit Committee under clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

B. Meetings/Attendance

During the financial year ended 31st March, 2014, four meetings were held on 17th May 2013, 2nd August, 2013, 19th October, 2013 and 24th January, 2014.

The Committee adopted the annual accounts for the year 2012-2013 in their meeting held on 18th May, 2013.

The attendance of the committee meetings is as under :

Name of Members	Meetings Held	Meetings Attended
Shri Raj Kumar Gupta	4	4
Shri Padam Kumar Jain	4	4
Shri G.D. Maheshwari	4	4

4. REMUNERATION COMMITTEE

A. Composition

The remuneration Committee of the Company comprised of Shri Padam Kumar Jain, Shri Raj Kumar Gupta & Dr. B.D. Agarwal.

During the year Dr. K.B. Agarwal resigned from the membership of the remuneration committee and Share holders / Investors Grievance Committee w.e.f. 24.01.2014.

B. Meetings / Attendance

During the financial year ended 31st March, 2014 two meetings were held on 7th October, 2013 & 24th January, 2014. The Committee raised the remuneration of the Executive Director in the above meeting and change the committee.

The attendance of the Committee Meeting is as under :-

Name of Members	Meetings Held	Meetings Attended
Shri Padam Kumar Jain	2	2 Chairman
Dr. K. B. Agarwal	2	2
Shri Raj Kumar Gupta	2	2
Dr. B.D. Agarwal	1	1

C. Remuneration Policy

Remuneration policy of the company is directed towards rewarding performance, based on review of achievements. However during the year only sitting fee was paid to the Non-Executive Directors. Remuneration was paid to Executive Director as per the terms of his appointment approved by the general body.

D. Remuneration of Directors :

Details of Remuneration/Sitting Fee Paid to all the Directors for the year ended 31st March, 2014.

Name of Directors	Salary	Benefits	Sitting Fee	Total ₹
Dr. Gaur Hari Singhania	—	—	1000	1000
Dr. K. B. Agarwal	—	—	5000	5000
Shri Padam Kumar Jain	—	—	6000	6000
Dr. B. D. Agarwal	—	—	3000	3000
Shri Raj Kumar Gupta	—	—	6000	6000
Shri G. D. Maheshwari	261000	65879	—	326879

5. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Share Transfer Committee inter-alia has been given the powers to deal with all the matters related to transfer, transmission, issuance of duplicate share certificates, split and/or consolidation requests. The Share Transfer Committee meets regularly. The members of the Committee and their attendance is given below :

Name of Members	Meetings Held	Meetings Attended
Dr. K.B. Agarwal	7	5
Shri Padam Kumar Jain	7	7
Shri G.D. Maheshwari	2	2

Shri V.K. Pandey, Jt. Secretary, is the Compliance Officer of the Company and assigned with the responsibilities of overseeing Investor's Grievance. His email address is keycorp ltd@gmail.com and Telephone No. 0512-3010422, 3013416 and Fax No. 0512-3919463.

During the year under review, one complaint was received from a shareholder and the same was resolved.

6. GENERAL BODY MEETING

Location and time, where last three AGMs were held :

Financial Year	Date	Time	Place of the Meeting
2012-2013	10.08.2013	10.00 a.m.	16/16-A, Civil Lines, Kanpur
2011-2012	11.08.2012	10.00 a.m.	16/16-A, Civil Lines, Kanpur
2010-2011	20.08.2011	10.00 a.m.	16/16-A, Civil Lines, Kanpur

During the year ended 31st March, 2014, no special resolution has been proposed/ passed by the Company's shareholders through postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed by postal ballot.

7. DISCLOSURES

There is no related party relationship as described in clauses (a) to (e) of paragraph 3 of the Accounting Standard-18 'Related Party Disclosures', issued by the Institute of Chartered Accountants of India.

8. No penalties/strictures have been imposed on the company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

9. MEANS OF COMMUNICATION

The Company submitted its Annual, Half Yearly & Quarterly results to the Stock Exchanges in accordance with the Listing Agreement and also published them in the two newspapers namely *The Pioneer* (English) and *Swatantra Chetana* (Hindi).

The financial results and shareholding pattern of the Company are also available on website www.keycorp ltd.com



10. GENERAL SHAREHOLDER INFORMATION

10.1. Annual General Meeting

- Day, Date and Time – Saturday, the 23rd August, 2014 at 10.00 am.
Venue – Registered Office of the Company at
16/16-A, Civil Lines, Kanpur - 208 001

10.2. Financial Calender (tentative)

Results for the quarter

- Ending June 30, 2014 – Last week of July, 2014
Ending Sept. 30, 2014 – Last week of Oct., 2014
Ending Dec. 31, 2014 – Last week of Jan., 2015

Results for the year

- Ending March 31st, 2015 – Upto 31st May, 2015
Annual General Meeting – Upto September, 2015

10.3. Book Closure Date

- **16th August, 2014 to 23rd August, 2014**
(Both days inclusive)

10.4. Dividend Payment Date

- **Not Applicable (No dividend proposed)**

10.5. Listing on Stock Exchanges

The Company's shares are listed with The Bombay Stock Exchange Limited, P J Towers, Dalai Street, Mumbai-400001. The Shares of the Company has been delisted from The U.P. Stock Exchange Ltd., Padam Towers, Civil Lines, Kanpur w.e.f. 21st August, 2013.

10.6. Stock Code

Demat ISIN in NSDL/CDSL - INE130F01 016

10.7. Stock Market Price data for the year 2013-2014

During the year, the market quotation of the stock at Bombay Stock Exchange Ltd. Mumbai was as follows :

Market Price Data (₹)

Month	Bombay Stock Exchange (BSE)	
	High	Low
April, 2013	9.00	8.90
May, 2013	8.56	8.56
June, 2013	9.48	8.56
July, 2013	9.90	9.90
August, 2013	10.89	10.38
September, 2013	10.35	9.84
October, 2013	--	--
November, 2013	10.49	10.49
December, 2013	10.50	7.42
January, 2014	7.50	6.80
February, 2014	6.80	6.18
March, 2014	6.20	6.20

10.8. Share Price performance in comparison to broad based indices - BSE and NSE

As only few transactions could take place in the Company's shares during the year hence the comparison of share price with BSE and NSE indices, in management's view, is not necessary.



10.15. Address for Correspondence

(i) The Company's Registered Office is situated at

16/16-A, Civil Lines,
Kanpur - 208 001 (U.P.)
Tel : (0512) 3010422, 3013416
Fax : (0512) 3919463
Email : keycorppltd@gmail.com

(ii) Registrar and Share Transfer Agent

M/s. ABS Consultants Pvt. Ltd.,
R. No. 99, Stephen House, 6th Floor, 4 B.B.D. Bag (East),
Kolkata - 700 001
Tel: (033)-22201043, 22430153
Email : absconsultant@vsnl.net

10.16. Report of CFO

The CFO of the company has submitted his report to the auditors and also to audit committee of the Company in respect of annual accounts for the year ended 31st March, 2014.

Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its employees and Directors.

I confirm that the company has in respect of the financial year ended March 31, 2014, received from the senior management team of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, senior management team means the Chief Financial Officer, the Company Secretary and all functional heads of the Company as on March 31, 2014.

Place : Kanpur
Dated : 24th May, 2014

G.D. Maheshwari
Executive Director & CEO

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To,
The Members of
KEY CORP LIMITED

We have examined the compliance of conditions of Corporate Governance by Key Corp Limited, for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we report that no investor grievances were pending for a period exceeding one month, as per the records maintained by the Company.

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

For V. P. ADITYA & COMPANY
Chartered Accountants
(FRN : 000542C)

(CA. UDAYAN MUKERJI)
Partner
Membership No. : 405900

Place : Kanpur
Dated : 24th May, 2014

AUDITOR'S REPORT

TO, THE MEMBERS OF KEY CORP LIMITED

1) REPORT ON THE FINANCIAL STATEMENTS :

We have audited the accompanying financial statements of KEY CORP LIMITED ('the Company') which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit & Loss and the Cash Flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2) MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

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

3) AUDITOR'S RESPONSIBILITY :

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



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

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

4) OPINION :

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

- I. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- II. In the case of the Statement of Profit & Loss, of the profit for the year ended on that date; and
- III. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5) REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure "1" a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the, best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
 - c. The Balance Sheet, 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 Balance Sheet, Statement of Profit & Loss and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956, except non compliance of AS-'15' "Employee Benefits" to the extent that the provisions for retirement benefits for Gratuity are made as per The Payment of Gratuity Act, 1972 and not in the manner prescribed in AS-15 (See Note No. A 03 (ii) of Notes on Account);
 - e. On the basis of written representations received from the directors, as on 31st March, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For V. P. ADITYA & COMPANY
Chartered Accountants
(FRN : 000542C)

(CA. UDAYAN MUKERJI)
Partner
Membership No. : 405900

Place : Kanpur
Dated : 24th May, 2014

ANNEXURE "1" Referred to in Paragraph 5 (1) of Auditor's Report of even date, to the members of KEY CORP LIMITED on the financial statements for the year ended March 31, 2014.

1) Based on such checks and other generally accepted auditing procedures carried on by us and according to the information's and explanations given to us, we report that :-

a) In respect of its fixed assets: -

- (1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (2) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (3) The Company has not disposed off substantial part of fixed assets during the reporting period, and as such it does not affect the going concern concept.

b) In respect of its internal control procedures and internal audit system: -

- (1) There are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets, stock on hire and services rendered. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (2) The Company has an internal audit system, which appears to be commensurate with the size and nature of its business.

c) In respect of payment of statutory dues: -

- (1) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Income tax, wealth tax, service tax and other material statutory dues applicable to it. However, The Employees State Insurance Act is presently not applicable to the Company.

Further, to our information, no undisputed amounts in respect of income tax, wealth tax and other material statutory dues applicable to it, were in arrears as at 31.03.2014 for a period of more than six months from the date these became payable.

- (2) There are no dues of income tax, wealth tax, service tax and other material statutory dues which have not been deposited on account of any dispute. Custom duty, sales tax, excise duty and cess are not applicable to the company.

d) The Company is not dealing in shares, securities and debentures. However, it has dealt in units of Mutual Funds and has maintained proper records of purchase and redemption of the units of Mutual Funds. The investment in the units of mutual funds, made by the company, are in its own name.

2) Based on various representations and confirmations made by the management, we report that:-

- i) During the year Company had no inventory in the nature of Stock on Hire hence clause (ii) of the Order is not applicable to the company.
- ii) The Company has not given any guarantee for loans taken by others, from banks or financial institutions.
- iii) The Company has not applied short terms funds into long term investments.
- iv) No fraud on or by the company has been noticed or reported during the course, of our audit.

3) On the basis of various representations and confirmations made by the management and overall examination of the Balance Sheet we are of the opinion that :-

- (i) The Company has neither granted nor taken loans from firms or other parties, covered in the register maintained u/s 301 of the Companies Act, 1956, therefore sub clause (iii), (v) and (xviii) of clause 4 of the Companies (Auditor's Report) Order, 2003 (as amended by Companies (Auditor's Report) Order, 2004) are not applicable to the company; and
- (ii) Sub clause (vi), (viii), (x), (xi), (xii), (xiii), (xvi), (xix) and (xx) of Clause 4 of the said order are also not applicable to the Company.

For V. P. ADITYA & COMPANY
Chartered Accountants
(FRN : 000542C)

(CA. UDAYAN MUKERJI)

Partner

Membership No. : 405900

Place : Kanpur
Dated : 24th May, 2014

**BALANCE SHEET AS AT 31ST MARCH, 2014**

Amount in ₹

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
A	B	C	D
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	A 01	6,00,00,000	6,00,00,000
(b) Reserves and surplus	A 02	13,59,09,595	12,32,01,197
	SUB TOTAL	19,59,09,595	18,32,01,197
(2) Non-current liabilities			
(a) Long-term provisions	A 03	17,78,320	14,19,710
	SUB TOTAL	17,78,320	14,19,710
(3) Current liabilities			
(a) Short-term borrowings	A 04	2,00,000	2,00,000
(b) Trade payables	A 05	4,92,269	3,70,072
(c) Other current liabilities	A 06	4,84,082	2,76,163
(d) Short-term provisions	A 07	15,43,303	18,21,784
	SUB TOTAL	27,19,654	26,68,024
	TOTAL	20,04,07,569	18,72,89,231
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
Tangible assets	A 08	18,41,238	20,19,083
(b) Non-current investments	A 09	15,79,68,190	13,69,60,968
(c) Deferred tax assets (Net)	A 10	5,23,325	3,09,366
(d) Long term loans and advances	A 11	3,05,94,696	3,02,07,233
	SUB TOTAL	19,09,27,449	16,94,96,650
(2) Current assets			
(a) Trade receivables	A 12	5,05,410	7,91,031
(b) Cash and cash equivalents	A 13	64,44,339	57,94,957
(c) Short-term loans and advances	A 14	25,30,114	96,02,019
(d) Other current assets	A 15	257	16,04,574
	SUB TOTAL	94,80,120	1,77,92,581
	TOTAL	20,04,07,569	18,72,89,231
Additional Notes	B		
Significant Accounting Policies	C		

AUDITOR'S REPORTAs per our separate Report
of even date attachedfor V. P. ADITYA & CO.
Chartered Accountants
(FRN : 000542C)(CA. UDAYAN MUKERJI)
Partner

Membership No. : 405900

Place : Kanpur

Dated : 24th May, 2014

S. N. TRIPATHI
Company SecretaryR. N. SINGH
CFODR. GAUR HARI SINGHANIA
Chairman

DR. K. B. AGARWAL

Vice-Chairman

PADAM KUMAR JAIN

Director

R. K. GUPTA

Director

G. D. MAHESHWARI

Executive Director

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014 Amount in ₹

Particulars	Note No.	Year Ended 31.03.2014	Year Ended 31.03.2013
A	B	C	D
I. Revenue from operations	A 16	74,14,150	1,02,31,335
II. Other Income	A 17	1,16,86,505	1,04,17,708
III. Total Revenue (I + II)		1,91,00,655	2,06,49,043
IV. Expenses :			
Employee benefits expense	A 18	27,54,718	24,19,854
Finance costs	A 19	17,379	20,646
Depreciation and amortization expense	A 08	2,09,570	2,26,287
Other expenses	A 20	30,65,372	30,49,543
Total Expenses		60,47,039	57,16,330
V. Profit before exceptional and extraordinary items and tax (III-IV)		1,30,53,616	1,49,32,713
VI. Profit before extraordinary items and tax		1,30,53,616	1,49,32,713
VII. Profit before tax		1,30,53,616	1,49,32,713
VIII Tax expense :			
(1) Current tax		6,24,262	9,19,041
(2) Deferred tax (Net)	A 10	(2,13,958)	(56,001)
IX Profit/(Loss) for the period from continuing operations (VII-VIII)		1,26,43,312	1,40,69,673
X Profit/(Loss) from Discontinuing operations (after tax)		0	0
XI Profit/(Loss) for the period (IX + X)		1,26,43,312	1,40,69,673
XII Earnings per equity share (Basic)	A 21	2.11	2.34
Additional Notes	B		
Significant Accounting Policies	C		

AUDITOR'S REPORT

As per our separate Report of even date attached

for V. P. ADITYA & CO.
Chartered Accountants
(FRN : 000542C)

(CA. UDAYAN MUKERJI)
Partner

Membership No. : 405900

Place : Kanpur

Dated : 24th May, 2014

S.N. TRIPATHI
Company Secretary

R. N. SINGH
CFO

DR. GAUR HARI SINGHANIA
Chairman

DR. K. B. AGARWAL
Vice-Chairman

PADAM KUMAR JAIN

Director

R. K. GUPTA

Director

G. D. MAHESHWARI

Executive Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014

(₹ in Lacs)

	As at 31.03.2014	As at 31.03.2013
A. CASH FROM OPERATING ACTIVITIES :		
Net Profit after tax	126.43	140.70
Adjustment for :-		
Add : (i) Non Cash Item, Depreciation	2.10	2.26
(ii) Provision for Income Tax	6.24	9.19
(iii) Provision for non performing assets	2.23	0.65
Less : (i) Dividend from Mutual Fund	(99.81)	(101.53)
(ii) Profit on Sale of Assets	(0.02)	(0.00)
(iii) Interest from Income Tax	(0.00)	(0.02)
(iv) Gain from Mutual Fund Units	(16.84)	(2.41)
(v) Deferred Tax	(2.14)	(0.56)
(vi) Excess Provision written back	(0.20)	0.00
Operating Profit before working capital changes	17.99	48.28
Adjustments for Changes in Working Capital		
Add : (i) Increase in Provision for Gratuity	2.20	1.35
Add : (ii) Increase in Current Liabilities and Advances	3.31	(1.45)
Add : (iii) Decrease in Loan on Vehicles	66.93	76.37
Add : (iv) Decrease in Current Assets and Advances	16.10	(12.31)
Less : Advance Income Tax Paid	(6.32)	(9.00)
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES (a)	100.21	103.24
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Add : (i) Dividend from Mutual Fund	99.81	101.53
(ii) Sale of Investments (Mutual Fund)	216.35	43.15
(iii) Sale of Fixed Assets	0.11	0.00
Less : (i) Purchase of Investment (Mutual Fund)	(409.58)	(198.99)
(ii) Purchase of Fixed Assets	(0.41)	(0.46)
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES (b)	(93.72)	(54.77)
C. CASH FLOW FROM FINANCING ACTIVITIES (c)	Nil	Nil
NET CASH (OUTFLOW)/INFLOW DURING THE PERIOD (a + b + c)	6.49	48.47
OPENING BALANCE OF CASH & CASH EQUIVALENTS	57.95	9.48
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	64.44	57.95

AUDITOR'S REPORT

As per our separate Report
of even date attached

for V. P. ADITYA & CO.
Chartered Accountants
(FRN : 000542C)

(CA. UDAYAN MUKERJI)
Partner

Membership No. : 405900

Place : Kanpur

Dated : 24th May, 2014

S.N. TRIPATHI
Company Secretary

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CFO

DR. GAUR HARI SINGHANIA
Chairman

DR. K. B. AGARWAL
Vice-Chairman

PADAM KUMAR JAIN
Director

R. K. GUPTA
Director

G. D. MAHESHWARI
Executive Director

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NOTES ACCOMPANYING THE FINANCIAL STATEMENTS AS AT 31.03.2014

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
A 01) SHARE CAPITAL :		
(a) Authorised :		
1,00,00,000 Equity Shares of ₹ 10/- each	10,00,00,000	10,00,00,000
(b) Issued, Subscribed & Fully Paid-up :		
60,00,000 (60,00,000) Equity Shares of ₹ 10/- each fully paid-up in cash	6,00,00,000	6,00,00,000
TOTAL	6,00,00,000	6,00,00,000
(c) As at the year end the following equity shareholders held more than five percent shares in the company :-		
Particulars	As at 31.03.2014	As at 31.03.2013
S.No. Name of the Shareholder	Number of Shares held	% of holding
S.No. Name of the Shareholder	Number of Shares held	% of holding
(i) Shri K. B. Agarwal	41,40,519	69.01
	41,40,519	69.01
Particulars		
	As at 31.03.2014	As at 31.03.2013
	₹	₹
A 02) RESERVES & SURPLUS :		
(a) Capital Reserve	2,52,323	2,52,323
(b) General Reserve :		
Opening Balance	12,00,00,000	10,50,00,000
Add: Transferred from Profit & Loss Account during the year	1,25,00,000	1,50,00,000
Sub Total	13,25,00,000	12,00,00,000
(c) Reserve for Deferred Tax	1,63,816	1,63,816
(d) Profit and Loss Account :		
Opening Balance	27,85,358	37,15,685
Add: Excess Provision written back	64,786	0
Add: Surplus in the Statement of Profit and Loss Account	1,26,43,312	1,40,69,673
Amount available for appropriation	1,54,93,456	1,77,85,358
Less : Transferred to General Reserve	(1,25,00,000)	(1,50,00,000)
Sub Total	29,93,456	27,85,358
TOTAL (a+b+c+d)	13,59,09,595	12,32,01,497
Particulars		
	As at 31.03.2014	As at 31.03.2013
	₹	₹
A 03) (i) LONG-TERM PROVISIONS :		
(a) Provision for Employees benefits	14,82,496	12,62,101
(b) Provision against Standard Assets	73,118	92,824
(c) Provision for Non Performing Assets	2,22,706	64,785
Total	17,78,320	14,19,710
(ii) The Accounting Standard-15 "Employee benefits", prescribed by the Central Government, has become applicable to the company in its entirety as our company is listed Company.		



In formulating the accounting policy regarding employee benefits, we were motivated by the fact that average number of employees during the financial year, were 19 i.e. less than 50.

In similar circumstances, unlisted companies have been permitted to calculate and account for the accrued liability under the head "Gratuity", by some other rational method. Provisions of The Payment of Gratuity Act, 1972 gives one such method. This is based on the assumption that such benefits are payable to all employees at the end of the accounting year.

The management still feels that the size of the company does not make it feasible to provide Gratuity by way of actuarial valuation. Hence, it decided to continue with the same accounting policy.

A 04) SHORT TERM BORROWINGS :

Security deposits (interest bearing - Unsecured)	2,00,000	2,00,000
Total	<u>2,00,000</u>	<u>2,00,000</u>

A 05)(i) TRADE PAYABLES :

(a) Miscellaneous Payable (Centre head)	4,46,821	3,25,748
(b) Liabilities for Expenses	45,448	44,324
Total	<u>4,92,269</u>	<u>3,70,072</u>

(ii) The company has not received any memorandum (as required to be filed by the Suppliers with the notified authority under the Micro, small and medium Enterprises Development Act, 2006), claiming their status as Micro, small or medium enterprises. Consequently, the amount paid / payable to these parties during the year is Nil.

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
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A 06) OTHER CURRENT LIABILITIES :

(a) Tax deducted at Source (Payable)	3,436	2,471
(b) Interest accrued on Security Deposit	21,799	6,319
(c) Instalment received in advance from customer	2,70,936	86,113
(d) Other Charges received in advance from customer	1,36,761	1,36,761
(e) Miscellaneous Payable	51,150	44,504
Total	<u>4,84,082</u>	<u>2,76,168</u>

A 07) SHORT TERM PROVISIONS :

(i) Others : Provision for Tax (MAT)	15,43,303	18,21,784
Total	<u>15,43,303</u>	<u>18,21,784</u>

(ii) Provision for Tax is made in accordance with the requirements of the Income Tax Act, 1961.

A 09) NON CURRENT INVESTMENTS :

(i) Investments in mutual fund (Quoted) (Details as per annexure annexed)	15,79,68,190	13,69,60,968
Total	<u>15,79,68,190</u>	<u>13,69,60,968</u>

(ii) The net asset value of the investment in mutual fund as on 31.03.2014 is ₹ 16,15,28,966/- (Previous year ₹ 12,90,80,054/-)

A 08. TANGIBLE ASSETS AND DEPRECIATION THEREON

DESCRIPTION	Rate of Dep.	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as on 01.4.2013 ₹	Additions/ Adjustments ₹	Sales/ Adjustments ₹	Total as on 31.3.2014 ₹	Upto 31.3.2013 ₹	Sales/ Adjustments ₹	For the year ₹	Total as on 31.3.2014 ₹	As at 31.3.2014 ₹	As at 31.3.2013 ₹
1	2	3	4	5	6	7	8	9	10	11	12
Land (Freehold)		670447	—	—	670447	—	—	—	—	670447	670447
Office Building	10.00	2407953	—	—	2407953	2070377	—	33757	2104134	303819	337576
Plant & Equipment (Data Processing M/C)	60.00	186850	36050	—	222900	156136	—	36068	192204	30696	30714
Furniture & Fixture	10.00	928254	—	—	928254	796976	—	13128	810104	118150	131278
Vehicles	15.00	1319959	3467	44340	1279086	632640	35278	102259	699621	579465	687319
Office Equipment	15.00	643896	1270	—	645166	482147	—	24358	506505	138661	161749
Grand Total		6157359	40787	44340	6153806	4138276	35278	209570	4312568	1841238	2019083
Previous Year Figures		6111109	46250	0	6157359	3911989	0	226287	4138276	2019083	0

ANNEXURE TO NOTE NO. A 09

LONG TERM TRADE INVESTMENT IN MUTUAL FUNDS

NAME OF MUTUAL FUND	BALANCE AS ON 01.04.13	
	UNIT	AMOUNT (₹)
EQUITY/ EQUITY ORIENTED FUND		
Birla Sun Life Infrastructure Fund - Dividend	52876.364	800000
Birla Sun Life Midcap Fund-Dividend	5620.082	150000
Birla Sun Life Dividend Yield Plus - Dividend	98768.678	1500000
DSP BR Micro cap Fund - Dividend	176073.564	1800000
DSP BR Small & Midcap Fund-Dividend	81430.191	1350000
DSP BR Top 100 Equity Fund-Dividend	18851.475	450000
Franklin India Prima Fund-Dividend	6154.112	300000
HDFC Equity Fund - Dividend	112787.043	3970383
HDFC Midcap Opp.Fund - Dividend	120048.024	1800000
HDFC Top 200 Fund - Dividend	85222.625	3311095
HSBC Equity Fund - Dividend	15412.253	450000
IDFC Premier Equity Fund - Dividend	71905.018	1700000
Pramerica Dynamic Asset Allocation Fund - Div.	100000.000	1000000
Principal Emerging Bluechip Fund - Dividend	27758.737	650000
ICICI Prudential Dynamic Plan - Dividend	156970.437	3382361
ICICI Prudential Midcap Fund - Dividend	114160.141	2560488
ICICI Prudential Top 100 Fund - Dividend	78354.554	1600000
ICICI Prudential Top 200 Fund - Dividend	99538.331	2232721
Reliance Diversified Power Sector Fund - Dividend	18761.826	950000
Reliance Equity Opportunities Fund - Dividend	259498.536	5485459
Reliance Growth Fund - Dividend	237262.816	13090397
Reliance Regular Saving Fund - Equity - Dividend	23042.852	453592
Reliance Vision Fund - Dividend	69531.864	3063455
SBI Magnum Global Fund - Dividend	249226.906	6312402
SBI Magnum Multiplier Plus -Dividend	45787.849	2203324
SBI MSFU - Contra - Dividend	182674.880	3996850
Sundarum Select Midcap - Dividend	159507.107	3300000
Sundarum Smile Fund - Dividend	21613.981	300000
Tata Infrastructure Fund - Dividend	54227.138	1400000
Tata Ethical Fund - Dividend	152324.504	5076123



PURCHASE DURING THE YEAR		SALES DURING THE YEAR		BALANCE AS ON 31.03.14	
UNIT	AMOUNT (₹)	UNIT	AMOUNT (₹)	UNIT	AMOUNT (₹)
				52876.364	800000
				5620.082	150000
				98768.678	1500000
				176073.564	1800000
				81430.191	1350000
				18851.475	450000
				6154.112	300000
				112787.043	3970383
				120048.024	1800000
				85222.625	3311095
				15412.253	450000
				71905.018	1700000
				100000.000	1000000
				27758.737	650000
				156970.437	3382361
				114160.141	2560488
				78354.554	1600000
				99538.331	2232721
				18761.826	950000
				259498.536	5485459
				237262.816	13090397
				23042.852	453592
				69531.864	3063455
				249226.906	6312402
				45787.849	2203324
				182674.880	3996850
				159507.107	3300000
				21613.981	300000
				54227.138	1400000
				152324.504	5076123

Templeton India Growth Fund - Dividend	14548.652	650000					14548.652	650000
UTI Mid Cap Fund - Dividend	73731.229	1950000					73731.229	1950000
TOTAL EQUITY/ EQUITY ORIENTED FUND	2983671.769	77238650	0.000	0.00	0.000	0.00	2983671.769	77238650
BALANCE FUNDS								
FT India Balance Fund - Dividend	69918.118	1350000					69918.118	1350000
HDFC Balance Fund - Dividend	95938.288	1651644					95938.288	1651644
HDFC Prudence Fund - Dividend	277299.741	8036313					277299.741	8036313
Kotak Balance Fund - Dividend	353540.327	7800000					353540.327	7800000
ICICI Prudential Balance Fund - Dividend	425290.686	6824467					425290.686	6824467
SBI Magnum Balance Fund - Dividend	226425.216	5102451					226425.216	5102451
Tata Balance Fund - Dividend	99003.484	3800000					99003.484	3800000
TOTAL BALANCE FUNDS	1547415.860	34564875	0.000	0	0.000	0	1547415.860	34564875
LIQUID FUNDS / DEBT FUND								
Birla Sun Life Dynamic Bond Fund- Retail - Growth	168949.622	3160000			168949.622	3160000	0.000	0
Birla Sun Life Interval Income Fund - Qty Sr-1 Growth	30741.928	440000					30741.928	440000
Birla Sun Life Interval Income Fund - Ann-IX- Growth	0.000	0	20000.000	200000			20000.000	200000
Birla Sun Life Short Term Opp.-Fund - Growth	90360.976	1600000					90360.976	1600000
Birla Sun Life Floating Rate Fund - STP - Growth			14627.094	2416977	14627.094	2416977	0.000	0
ICICI Prudential Flexible Income Plan Reg-Growth	6445.944	760000			6445.944	760000	0.000	0
IDBI Liquid Fund - Growth	772.255	900000			772.255	900000	0.000	0
IDFC Dynamic Bond Fund - Growth	373094.315	5200000	662736.616	9493065	37206.257	500000	998624.674	14193065
IDFC Money Manager -Treasury Plan A-Growth	152063.865	2462449			152063.865	2462449	0.000	0
IDFC Ultra Short Term- Growth	32560.775	500000	59738.411	1000000			92299.186	1500000
Kotak Bond - Deposit - Growth	16892.406	500000			16892.406	500000	0.000	0
Principal Income Fund - Short Term Plan -Growth	30698.637	570000					30698.637	570000
Reliance Dynamic Bond Fund- Growth	19155.742	300000	121187.969	2004987	19155.742	300000	121187.969	2004987
Reliance Medium Term Fund - Growth	21767.618	500000			21767.618	500000	0.000	0
Reliance Money Manager Fund - Retail - Growth	664.360	900000			664.360	900000	0.000	0
Reliance Liquid Fund Treasury Plan- Growth	338.025	864994			338.025	864994	0.000	0
SBI Dynamic Bond Fund - Growth	139414.321	2000000	19339.617	300000	78075.358	1100000	80678.580	1200000
SBI Magnum Income Fund - Growth	62843.335	1800000	13058.709	400000	17896.900	500000	58005.144	1700000
Tata Dynamic Bond Fund Plan-A- Growth	0	0	84184.701	1500000			84184.701	1500000
UTI Dynamic Bond Fund- Growth	181415.752	2200000			181415.752	2200000	0.000	0
UTI Treasury Advantage Fund - Inst. Plan - Growth			1419.906	2386399	1419.906	2386399	0.000	0
Templeton India USBF Super Inst. Plan- Growth			63567.518	1000000			63567.518	1000000
TOTAL LIQUID / DEBT FUNDS	1328179.876	24657443	1059860.541	20701428	717691.104	19450819	1670349.313	25908052

FIXED MATURITY PLANS			
Axis Fixed Term Plan Series 41(546 Days) -Growth			30000.000
Birla Sun Life Fixed Term Plan Series JE -Growth			272532.000
Birla Sun Life Fixed Term Plan Series IA -Growth			10000.000
Birla Sun Life Fixed Term Plan Series IG -Growth			30000.000
Birla Sun Life Fixed Term Plan Series HI -Growth			60000.000
Birla Sun Life Fixed Term Plan Series HM -Growth			40000.000
Birla Sun Life Fixed Term Plan Series JQ -Growth			25000.000
Birla Sun Life Fixed Term Plan Series KB -Growth			106983.000
DSP BR FMP Series 107-12M -Growth			50000.000
DSP BR FMP Series 37-14M -Growth			50000.000
HDFC FMP 371 D February 2014 (2) - Growth			40000.000
HDFC FMP 370 D March 2014 (1) - Growth			50000.000
ICICI Pru.FMP Series 72 -368Days Plan-A -Growth			90204.000
IDBI FMP-Series IV-366 D(FEB. 2014)-E-Growth			63199.143
IDFC Fixed Maturity Pl-366 Day Service-78- Growth	50000.000	500000	
IDFC Fixed Term Plan Series 52 - Growth			90000.000
IDFC Fixed Term Plan Series 88 - Growth			210000.000
Kotak FMP Series 132 - Growth			53433.000
Reliance FHF - XXIV - Series 4 - Growth			60000.000
Reliance FHF - XXIV - Series 18 - Growth			30000.000
Reliance FHF - XXV - Series 13 - Growth			56432.114
Reliance FHF - XXV - Series 24 - Growth			31045.712
SBI Debt Fund Series 366 Days 47- Growth			50000.000
SBI Debt Fund Series 366 Days 49- Growth			167330.294
TATA Fixed Maturity Plan Series 43 Sch A- Growth			60000.000
TATA Fixed Maturity Plan Series 44 Sch B- Growth			10000.000
TATA Fixed Maturity Plan Series 44 Sch D- Growth			50000.000
UTI Fixed Term Income Fund Series VXII -II -Growth			239502.076
TOTAL FIXED MATURITY PLANS	50000.000	500000	2025661.339
GRAND TOTAL	5909267.505	136960968	3085521.880



300000.00			30000.000	300000
2725320.00			272532.000	2725320
100000.00			10000.000	100000
300000.00			30000.000	300000
600000.00			60000.000	600000
400000.00			40000.000	400000
250000.00			25000.000	250000
1069830.00			106983.000	1069830
500000.00			50000.000	500000
500000.00			50000.000	500000
400000.00			40000.000	400000
500000.00			50000.000	500000
902040.00			90204.000	902040
631991.00			63199.143	631991
	50000.000	500000	0.000	0
900000.00			90000.000	900000
2100000.00			210000.000	2100000
534330.00			53433.000	534330
600000.00			60000.000	600000
300000.00			30000.000	300000
564321.00			56432.114	564321
310457.00			31045.712	310457
500000.00			50000.000	500000
1673303.00			167330.294	1673303
600000.00			60000.000	600000
100000.00			10000.000	100000
500000.00			50000.000	500000
2395021.00			239502.076	2395021

20256613	50000.000	500000	2025661.339	20256613
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40958041	767691.104	19950819	8227098.281	157968190
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A10) DEFERRED TAX ASSETS / (LIABILITIES) (NET) :

(a) Deferred tax is calculated and determined in accordance with the requirements of Accounting Standard - 22 "Accounting for Taxes on Income" and is subject to the concept of prudence, on timing difference being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are reviewed for their carrying values at each balance sheet date and recognised only if there is 'reasonable certainty' that they will be realised in future. As at 31.03.2014 the recognised deferred tax liability/asset is as follows:-

(b) Deferred Tax Liability :

The Break-up of deferred tax liability into major components as on 31.03.2014 is as follows :

Particulars	31.03.2014		31.03.2013	
	Total ₹	Deferred Tax Impact ₹	Total ₹	Deferred Tax Impact ₹
Timing difference on depreciation for the year	221328	68390	260914	80623
Total	221328	68390	260914	80623

(c) Deferred Tax Assets :

The Break-up of deferred tax assets into major components as on 31.03.2014 is as follows :

Particulars	31.03.2014		31.03.2013	
	Total ₹	Deferred Tax Impact ₹	Total ₹	Deferred Tax Impact ₹
(i) Gratuity	1482496	458091	1262101	389989
(ii) Long Term Capital Loss C/F	432440	133624	0	0
Total	1914936	591715	1262101	389989

(d) Net Deferred Tax Assets/(Liability) ₹ 523325/- (Previous Year ₹ 309366/-)

(e) The net deferred tax recognized in the profit and loss account ₹ 213958/- (Previous year ₹ 56001/-)

Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
-------------	--------------------------	--------------------------

A 11) (i) LONG TERM LOANS AND ADVANCES :

(a) Loan on vehicle (Secured by hypothecation of vehicles)	3,05,69,496	3,01,82,033
(b) Other advances (Security Deposit with KESCO LTD.)	25,200	25,200
Total	3,05,94,696	3,02,07,233

(ii) Balance in some accounts of long term loans and advances is subject to confirmation.



Particulars	As at 31.03.2014 ₹	As at 31.03.2013 ₹
A 12) (i) <u>TRADE RECEIVABLES :</u>		
Interest on loan receivable	5,05,410	7,91,031
Total	5,05,410	7,91,031
(ii) Balance in some accounts of trade receivables is subject to confirmation.		
(iii) All trade receivables are outstanding for a period less than six months from the date they are due for payment. Also, no debts are due by directors or any other officers of the company either severally or jointly.		
 A 13) <u>CASH AND CASH EQUIVALENTS :</u>		
(a) Cash in hand	49,564	4,05,345
(b) Balances with scheduled banks : In current account	63,94,775	53,89,612
Total	64,44,339	57,94,957
(c) There are no bank deposits with more than 12 months maturity.		
 A 14) (i) <u>SHORT TERM LOANS AND ADVANCES :</u>		
(a) Advance Income Tax	17,16,519	19,87,504
(b) Loan on vehicle (Secured by hypothecation of vehicles)	8,00,242	75,95,410
(c) Prepaid expenses (to the extent not written-off)	13,353	19,105
Total	25,30,114	96,02,019
(ii) Balance in some accounts of short term loans and advances is subject to confirmation		
 A 15) <u>OTHER CURRENT ASSETS :</u>		
(a) Dividend Receivable	0	15,73,234
(b) Income Tax Refund Receivable	257	31,340
Total	257	16,04,574

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Particulars	Year ended 31.03.2014 ₹	Year ended 31.03.2013 ₹
A 16) REVENUE FROM OPERATIONS :		
(a) Interest	69,93,492	97,28,034
(b) Other financial services		
(i) Interest (TDS NIL Last year NIL)	53,358	65,576
(ii) Processing charges	3,67,300	4,37,725
(b) Sub Total	<u>4,20,658</u>	<u>5,03,301</u>
Grand Total (a+b)	<u>74,14,150</u>	<u>1,02,31,335</u>
A 17) OTHER INCOME :		
(i) Dividend Income	99,80,511	1,01,52,538
(ii) Net gain / loss on sale of investments	16,83,958	2,41,171
(iii) Other non-operating income (net of expenses)		
(a) Balance written back	442	367
(b) Excess Provision Written Back	19,706	21,862
(c) Profit on sale of Assets	1,888	0
Sub Total	<u>22,036</u>	<u>22,229</u>
(iv) Interest received from Income Tax	0	1,770
Total [(i)+(ii)+(iii)+(iv)]	<u>1,16,86,505</u>	<u>1,04,17,708</u>
Grand Total (16+17)	<u>1,91,00,655</u>	<u>2,06,49,043</u>
A 18) EMPLOYEE BENEFITS EXPENSES :		
(a) Salaries expenses	19,71,402	17,79,981
(b) Bonus / Ex-Gratia	1,23,620	1,11,670
(c) Contribution to Provident Fund	99,264	87,186
(d) Employees Pension Fund	78,744	73,522
(e) Administrative Expenses & Insurance to P.F.	23,878	21,562
(f) Gratuity	2,20,395	1,35,215
(g) Leave Encashment	1,61,296	1,40,109
(h) Staff welfare expenses	76,119	70,609
Total (a to h)	<u>27,54,718</u>	<u>24,19,854</u>
A 19) FINANCE COSTS :		
Interest Expenses	17,379	20,646
Total	<u>17,379</u>	<u>20,646</u>



Particulars	Year ended	Year ended
	31.03.2014	31.03.2013
	₹	₹
A 20) OTHER EXPENSES :		
(i) Conveyance Expenses	6,89,168	6,14,364
(ii) Power and Fuel	3,23,255	2,55,298
(iii) Directors Sitting Fee	21,000	19,000
(iv) Rates & Taxes excluding taxes on Income	37,348	35,675
(v) Repairs to Building	0	24,645
(vi) Repairs to Machinery	99,383	1,10,060
(vii) Insurance	11,909	10,897
(viii) Payment to the Auditors		
(a) As Auditors	25,000	25,000
(b) For Taxation matters	5,000	5,000
(ix) Miscellaneous Expenses	6,64,543	7,05,457
(x) Donations	5,00,000	5,00,000
(xi) Service Charges	1,70,300	2,05,125
(xii) Recovery Charges	2,46,348	3,27,351
(xiii) Provision required by prudential norms	2,22,706	64,785
(xiv) Professional Charges	49,412	1,46,886
Total { (i) to (xiv) }	30,65,372	30,49,543

A 21) EARNING PER SHARE :

- (i) Annualised earning per equity share has been calculated on the net profit (after taxation) of ₹ 1,26,43,312/- (previous year ₹ 1,40,69,673/-) taken as the numerator divided by number of equity shares 60,00,000 (previous year 60,00,000) taken as the denominator.

Particulars	Year ended	Year ended
	31.03.2014	31.03.2013
	₹	₹
Basic Earning per share	2.11	2.34
Total	2.11	2.34

- (ii) There are no diluted earning per share in the company

(B) ADDITIONAL NOTES :

- (i) (a) The company follows the Reserve Bank Of India guidelines applicable to Non Banking Financial. Companies regarding assets classification, provisioning and income recognition on non performing assets and accounting for Investments.
- (b) Information required to be disclosed in terms of paragraph 13 of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions , 2007 is as under :-

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NOTE TO THE BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY
(as required in the terms of Paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

₹ in Lacs

P	ARTI Q/LARS A	munt A outstanding	munt overdue
LIABILITIES SIDE :			
1.	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	NIL	NIL
	: Unsecured (other than falling within the meaning of public deposits)	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Other Loans (specify nature)	NIL	NIL

* Please see Note 1 below.

ASSETS SIDE :

₹ in Lacs

PARTICULARS	Amount outstanding	
2. <u>Break-up of Loans & Advances including bills receivable (other than those included in (4) below :</u>		
(a) Secured	NIL	
(b) Unsecured	17.55	17.55
3. Break-up of Leased Assets and Stock on hire and other Assets counting towards AFC activities :		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial Lease	NIL	
(b) Operating Lease	NIL	NIL
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire	NIL	
(b) Repossessed Assets	NIL	NIL
(iii) Other loans counting towards AFC activities :		
(a) Loans where assets have been repossessed	NIL	
(b) Loans other than (a) above	318.75	318.75



4. **Break-up of Investments :**

Current Investments :

(1) **Quoted :**

(i) Shares: (a) Equity	NIL	
(b) Preference	NIL	
(ii) Debentures and Bonds	NIL	
(iii) Units of Mutual Funds	NIL	
(iv) Government Securities	NIL	
(v) Others (please specify)	NIL	NIL

(2) **Unquoted :**

(i) Shares: (a) Equity	NIL	
(b) Preference	NIL	
(ii) Debentures and Bonds	NIL	
(iii) Units of Mutual Funds	NIL	
(iv) Government Securities	NIL	
(v) Others (please specify)	NIL	NIL

Long Term Investments :

(1) **Quoted :**

(i) Shares: (a) Equity	NIL	
(b) Preference	NIL	
(ii) Debentures and Bonds	NIL	
(iii) Units of Mutual Funds	1579.68	
(iv) Government Securities	NIL	
(v) Others (please specify)	NIL	1579.68

(2) **Unquoted :**

(i) Shares: (a) Equity	NIL	
(b) Preference	NIL	
(ii) Debentures and Bonds	NIL	
(iii) Units of Mutual Funds	NIL	
(iv) Government Securities	NIL	
(v) Others (please specify)	NIL	NIL

5. **Borrower group-wise classification of Assets financed as in (2) and (3) above :**
Please see Note 2 below

₹ in Lacs

CATEGORY	Amount net of provisions		
	Secured	Unsecured	Total
(1) Related Parties**			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
(2) Other than Related Parties	318.75	17.55	336.30
Total	318.75	17.55	336.30

6. **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**
Please see Note 3 below ₹ in Lacs

CATEGORY	Market Value/Break-up / fair Value / NAV	Book Value (Net of Provisions)
(i) Related Parties**		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
(ii) Other than Related Parties	1615.29	1579.68
Total	1615.29	1579.68

**As per Accounting Standard of ICAI (Please see Note 3)

7. **Other Information :** ₹ in Lacs

PARTICULARS	Amount	
(i) Gross Non-performing assets :		
(a) Related Parties	NIL	
(b) Other than related parties	21.02	21.02
(ii) Net Non-performing Assets :		
(a) Related Parties	NIL	
(b) Other than related parties	18.79	18.79
(iii) Assets acquired in satisfaction of debt	NIL	NIL

NOTES :

1. As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance, of Public Deposits (Reserve Bank) Directions, 1998.
 2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (non deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
 3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break-up/fair value/NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in column (4) above.
- B (ii)** In the financial year 2013-14, the Company has operated in only one business segment, hence compliance of AS-17 regarding "Segment Reporting" is not necessary.

B (iii) Related party transactions :

There are no related party as described in Clauses (a) to (e) of paragraph 3 of the Accounting Standard-18 "Related party disclosures" issued by the Institute of Chartered Accountants of India.

B (iv) CONTINGENT LIABILITIES :

CONTINGENT LIABILITY NOT PROVIDED FOR	(2013-14)	(2012-13)
Claims against the Company not acknowledged as debt	₹ NIL	₹ NIL

B (v) The figures have been rounded off to the nearest rupee.

B (vi) Last year's figures have been regrouped and re-arranged wherever necessary to conform to the figures of the current year.



(C) SIGNIFICANT ACCOUNTING POLICIES

(a) VALUATION :-

- i. Fixed Assets are valued at cost.
- ii. Non-current investments are valued at cost.
- iii. Current investments are valued at lower of cost or fair value.
- iv. Stock on Hire are valued at Cost less Capital recovery.

(b) PHYSICAL VERIFICATION :-

- i. Fixed Assets in use of the Company are physically verified once in every year.
- ii. Physical verification of stock on hire is carried out on test check basis.

(c) DEPRECIATION :-

- i. In respect of own Assets, Depreciation is provided on written down value as per the rates prescribed under the Income Tax Act, 1961.
- ii. In respect of Leased Assets, depreciation is provided on Straight Line Method in accordance with the Section 205(2)(b) of the Companies Act, 1956.

(d) REVENUE RECOGNITION :-

- i. All income & expenses are accounted for on accrual basis, except otherwise stated.
- ii. Interest on overdue instalments and dividend on shares of corporate bodies and units of mutual funds are accounted for on certainty of the realisation.
- iii. The Company has followed the prudential norms for Income recognition and provisioning for non-performing assets as prescribed by the Reserve Bank of India for non-banking financial companies.

(e) EARNING PER SHARE :-

The Company reports earnings per share in accordance with AS-20.

(f) EMPLOYEE BENEFITS :-

- i. Provisions for Retirement benefits for Gratuity are made as per the payment of Gratuity Act, 1972.
- ii. Leave Encashment is accounted as per Service Rules and charged to the P&L Account.
- iii. Contribution to Provident Fund is recognised when due.

(g) INTANGIBLE ASSETS :-

The Company recognise intangible assets in accordance with AS 26.

(h) IMPAIRMENT OF ASSETS :-

An asset is impaired if there are sufficient indication that the carrying cost would exceed the recoverable amount of cash generating assets. In that event an impairment loss so computed would be recognised in the accounts in the relevant year.

AUDITOR'S REPORT

As per our separate Report
of even date attached

for V. P. ADITYA & CO.
Chartered Accountants
(FRN : 000542C)

(CA. UDAYAN MUKERJI)
Partner
Membership No. : 405900

Place : Kanpur
Dated : 24th May, 2014

S.N. TRIPATHI
Company Secretary

R. N. SINGH
CFO

DR. GAUR HARI SINGHANIA
Chairman
DR. K. B. AGARWAL
Vice-Chairman
PADAM KUMAR JAIN
Director
R. K. GUPTA
Director
G. D. MAHESHWARI
Executive Director

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KEY CORP LIMITED
 CIN : L65921UP1985EL0007547
 Regd. Office : 16/16-A, Civil Lines, Kanpur - 208 001.

ATTENDANCE SLIP

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

Joint shareholders may obtain additional slip at the venue of the meeting.

DP ID*	
Client ID*	

Folio No.	
No. of Shares	

Name and Address of the Shareholder.....
 I hereby record my presence at the 28th ANNUAL GENERAL MEETING of the Company held on Saturday August 23, 2014 at 10.00 a.m. at the Registered Office of the Company at 16/16A, Civil Lines, Kanpur.

*Applicable for invertors holding shares in electronic form.

.....
 Signature of Shareholder/proxy

----- ✂ ----- PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP AT THE MEETING -----



KEY CORP LIMITED
 CIN : L65921UP1985EL0007547
 Regd. Office : 16/16-A, Civil Lines, Kanpur - 208 001.

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s).....	e-mail Id.....
Registered Office.....	Folio No/*Client Id.....
	*DP Id.....

I/We, being the member(s) of..... shares of Key Corp Limited, hereby appoint :

- 1)..... of..... having e-mail id..... or failing him.....
- 2)..... of..... having e-mail id..... or failing him.....
- 3)..... of..... having e-mail id.....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company to be held on Saturday 23rd August 2014 at 10.00 a.m. at the Registered Office of the Company at 16/16A, Civil Lines, Kanpur-208 001 and at my 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 box below :

Resolution :	For	Against
1. Audited Financial Statement, Reports of the Board of Directors and Auditors		
2. Re-appointment of Dr. B. D. Agarwal who retires by rotation.		
3. Appointment of Auditors and fixing their remuneration.		
4. Appointment of Dr. Gaur Hari Singhania as an Independent Director.		
5. Appointment of Shri Padam Kumar Jain as an Independent Director.		
6. Appointment of Shri Raj Kumar Gupta as an Independent Director.		

Signed this..... day of....., 2014

.....
 Signature of shareholder

.....
 Signature of first proxy holder

.....
 Signature of second proxy holder

.....
 Signature of third proxy holder

Notes : 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hrs. 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 shareholders. **4 This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave '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 member from attending the meeting in person if he so wishes. 6. In the case of joint the holders, the signature of any one holder will be sufficient, but name of all the joint holders should be stated.

BOOK - POST

**28TH
ANNUAL
REPORT
2013-2014**



If undelivered, please return to :
KEY CORP LIMITED
16/16-A, Civil Lines
Kanpur - 208 001.