

BOOK - POST

29TH
ANNUAL
REPORT
2014-2015



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

29TH
ANNUAL
REPORT
2014-2015



KEY CORP LIMITED



BOARD OF DIRECTORS

Shri Yadupati Singhania, *Chairman*
Dr. K. B. Agarwal, *Vice-Chairman*
Dr. B. D. Agarwal
Shri Padam Kumar Jain
Ms Manju Jain
Shri G. D. Maheshwari, *Executive Director*

**COMPANY SECRETARY
JOINT SECRETARY/
COMPLIANCE OFFICER
CHIEF FINANCE OFFICER**

Shri S. N. Tripathi
Shri V. K. Pandey
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 29th Annual General Meeting of Members of Key Corp Limited will be held on Saturday, the 22nd August, 2015 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, 2015, 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 Shri G.D. Maheshwari (DIN 00235209) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To 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 M/s. V.P. Aditya & Company, Chartered Accountant (Registration No. 000542C) be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company".

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification(s) the following resolutions as Ordinary Resolution:
"RESOLVED THAT Ms. Manju Jain (DIN 06971010) who has been appointed as an additional woman independent director with effect from 1st September, 2014 in terms of Section 161(1) of the Companies Act, 2013 and Article 96 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of the director be and is hereby appointed as an independent director of the Company to hold office upto five consecutive years till respective Annual General Meeting".
5. To consider and, if thought fit, to pass with or without modification(s) the following resolutions as Ordinary Resolution:
"RESOLVED THAT Shri Yadupati Singhania (DIN 00050364) who has been appointed as an additional director of the Company by the Board of Director with effect from 20.02.2015 in terms of Section 161 of the Companies Act, 2013 and Article 96 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of 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 of the Company to hold office upto five consecutive years till respective Annual General Meeting".

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

Dated : 26th May, 2015

By Order of the Board
S.N. Tripathi
Company Secretary



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 14th August, 2015 to 22nd August, 2015 (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. Shri G.D. Maheshwari (DIN No. 00235209), aged 57 years, retires by rotation at the ensuing Annual General Meeting. He was appointed as Executive Director w.e.f. 1st October, 2003. He is Post Graduate in Commerce.
6. In terms of Section 107 and 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is providing its members the facility to exercise their right to vote at the meeting by electronic means on any or all of the businesses specified in the accompanying notice. Necessary arrangements have been made by the Company with Central Depository Services Ltd. ("CDSL") to facilitate e-voting. E-voting is optional and members shall have the 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 follows:

- I. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- II. Now click on "Shareholders" to cast your votes.
- III. Now select the Electronic Voting Sequence Number ("EVSIN") alongwith "KEY CORP LIMITED" from the drop down menu and click on "SUBMIT".
- IV. Shareholders maintaining their holding in Demat form Enter your User ID (For CDSL 16 digits beneficiary ID, For NSDL 8 Character DP ID followed by 8 Digits Client ID). Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on "Login"
- V. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below:-
- VI. Fill up the following details in the appropriate boxes :

	For Members holding shares in Demat and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholder)</p> <ul style="list-style-type: none"> • Physical shareholders who have not updated their PAN with the company are requested to use the first two letters of their name in capital letter followed by 8 digits Folio Number in PAN field. In case the Folio number is less than 8 digits enter the applicable number of 0's after the the Folio number. Eg. if your name is Heera Singh with Folio number 1234 then enter HE12340000 in the PAN field. • Demat shareholders who have not updated their PAN with their Depository participant are requested to use the first two letter of their name in the capital letter followed by 8 digits CDSL/NSDL Client ID. For example ..in case of name is Ram Saijwan and Demat account number is 1205870000001010 then default value of PAN is RA000001010.
DOB #	Enter your Date of Birth as recorded in your demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the Depository or Company, please enter the number of shares held by you as on 14th August, 2015 in the Dividend Bank details field.

Please enter any one of the details in order to login

- VII. After entering these details appropriately click on "SUBMIT" tab.
- VIII. Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- IX. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- X. Click on the relevant EVSN on which you choose to vote.
- XI. On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XII. Click on the "Resolution File Link" if you wish to view the entire Resolutions.
- XIII. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- XIV. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XV. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

XVI. If demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

XVII. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

XVIII. The voting period begins on 18.08.2015 (9.00 A.M.) and ends on 21.08.2015 (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 date of 14.08.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

XIX. 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.evotingindia.com. You may also contact helpdesk.evoting@cdslindia.com Tel.No.022-66069031.

XX. The Company has appointed M/s. Vibha Mehta & Company, a Practicing Company Secretary (C.P. No. 3103) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.

XXI. A copy of this notice has been placed on the website of the Company and the website of CDSL.

XXII. In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all business specified in the accompanying Notice.

For abundant clarity, please note that the Members who have exercised their right to vote by electronic means shall not be entitled to vote by way of poll at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

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

By Order of the Board
S.N. Tripathi
Company Secretary

Dated : 26th May, 2015

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

ITEM NO. 4 :

The Board of Directors of the Company appointed Ms. Manju Jain (DIN 06971010) as an additional (Non Executive Independent woman Director) of the Company with effect from 01.09.2014 in accordance with the provision of Section 161 of the Companies Act, 2013 and Article 96 of the Articles of Association of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013,

Ms. Manju Jain being eligible, offer herself for appointment, is proposed to be appointed as an independent woman Director upto five consecutive years till respective Annual General Meeting. Notice has been received from a member proposing her candidature for the office of the directors of the Company. In the opinion of the Board Ms. Manju Jain fulfills the conditions specified in the Companies Act, 2013 and rules framed thereunder for her appointment as an independent woman Director of the Company and is independent of the management. The brief resume of Ms. Manju Jain is given below pursuant to Clause 49 of the Listing Agreement.

Ms. Manju Jain holds Post graduate degree in Science and Bachelor degree in Education. She has taught in a Girls Convent Higher Secondary College and was involved in improving the behavioral pattern of students. After retirement she is involved in programme of women empowerment, sanitation and education. The resolution of Item No.4 of the notice is set out as an ordinary resolution for approval by the members in terms of Section 149(10) of the Companies Act, 2013.

Except Ms. Manju Jain none of the Directors & Key Managerial personnel of the Company and their relatives is concerned or interested financial or otherwise in Agenda Item No.4. The Explanatory Statement may also be registered as a disclosure under clause 49 of the Listing Agreement with the Stock Exchange.

ITEM NO.5:

The Board of Directors of the Company appointed Shri Yadupati Singhania (DIN 00050364) as an additional (Non Executive Independent Director) of the Company with effect from 24.02.2015 in accordance with the provision of Section 161 of the Companies Act, 2013 and Article 96 of the Articles of Association of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Shri Yadupati Singhania being eligible, offer himself for appointment, is proposed to be appointed as an independent Director upto five consecutive years till respective Annual General Meeting. Notice has been received from a member proposing his candidature for the office of the directors of the Company. In the opinion of the Board Shri Yadupati Singhania fulfills the conditions specified in the Companies Act, 2013 and rules framed thereunder for his appointment as an independent Director of the Company and is independent of the management. The brief resume of Shri Yadupati Singhania is given below pursuant to Clause 49 of the Listing Agreement.

Shri Yadupati Singhania has vast experience of industry and hold the post of Managing Director and CEO in J.K. Cement Ltd. He is also director in various companies of J.K. Group. The appointment of Shri Yadupati Singhania will be beneficial for the Company. The resolution of Item No.5 of the notice is set out as an ordinary resolution for approval by the members in terms of Section 149(10) of the Companies Act, 2013.

Except Shri Yadupati Singhania none of the Directors, Key Managerial personnel of the Company and their relatives is concerned or interested financial or otherwise in Agenda Item No.5. The Explanatory Statement may also be registered as a disclosure under clause 49 of the Listing Agreement with the Stock Exchange.

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

By Order of the Board
S.N. Tripathi
Company Secretary

Dated : 26th May, 2015

**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors present the 29th Annual Report and Audited Accounts of the Company for the year ended 31st March, 2015.

	31.3.2015	31.3.2014
	(₹ in lakhs)	
FINANCIAL RESULTS		
Income from Operations	46.80	74.14
Income from Investment in Mutual Fund	152.39	116.65
Other Income	16.51	0.22
Less : Operating Expenditure	59.88	58.20
Profit Before Depreciation and Finance Cost	155.82	132.81
Less : Depreciation	2.31	2.10
Less : Finance Cost	0.17	0.17
Net Profit for the Year before Tax	153.34	130.54
Less : Provision for Income tax	0.91	6.24
Less : Provision for Deferred Tax	0.83	(2.14)
Profit after Tax	151.60	126.44
Balance of Profit brought forward	43.74	28.50
Amount available for appropriation after adjustments	195.34	154.94
APPROPRIATION TO		
General Reserve	150.00	125.00
Balance carried over	45.34	29.94

DIVIDEND
In order to build up resources your Directors do not recommend payment of dividend for the Financial Year 2014-15.

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

- Shri G.D. Maheshwari (DIN 00235209) retiring by rotation at the ensuing Annual General Meeting and eligible for re-appointment.
- The Board deeply regret to record the sad demise of our founder Chairman Dr. Gaur Hari Singhania (DIN 00054848) on 04.02.2015. The Board will miss his leadership and valuable guidance. The Board pay its condolence on his demise.
- Shri Raj Kumar Gupta (DIN 00200238) Director of the company resigned from the directorship of the company on 01.09.2014. The Board places on records its appreciation for the services rendered by him as a director.
- Ms. Manju Jain (DIN 06971010) was appointed as additional independent woman Director on 01.09.2014 in terms of section 161(1) of the Companies Act, 2013. Ms. Manju Jain hold office upto the date of ensuing A.G.M. The Board further appointed Shri Yadupati Singhania (DIN 00050364) as Additional Director and Chairman of the

Board on 24.02.2015. The Company have received separate notices from the shareholders for their appointment for a term of 5 years as per the Companies Act, 2013 to act as independent director upto 31.03.2020.

- Further the Board appraised the performance of the independent directors and found their contribution to the proceedings of the Board beneficial for the Company. They have attended almost all the Board meetings and Committee meetings held from time to time.

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 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 2013-14.

AUDIT COMMITTEE

During the year the committee held four meetings.

NOMINATION & REMUNERATION COMMITTEE

During the year no meeting was held.

STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year the committee held ten 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.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act, 2013 the Board has appointed M/s. Vibha Mehrotra & Co. Practising Company Secretary (CP Membership No. 3103) as Secretarial Auditors of the Company whose report is attached separately to this report.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith to 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, 2015 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.

ACKNOWLEDGEMENT

Your Directors wish to thanks the employees for their dedication and hard work.

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

Dated : 26th May, 2015

For and On behalf of the Board
YADUPATI 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 29 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. 202.86 lacs.

VIII) HUMAN RESOURCES :

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



SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015
(Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014).

To,
The Members
KEY CORP LIMITED
16/16-A, Civil Lines
Kampur

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Key Corp Limited. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

Based on my verification of the company's 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 (audit Period) 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2015 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 and 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;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the audit period).
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during the audit period)

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period).
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the audit period)
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the audit period).

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not notified Hence not applicable to the company during the audit period)**
- ii) The Listing Agreements entered into by the Company with Stock Exchanges,

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

I further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the company has complied with the following laws applicable specifically to the company.

Various regulations and guidelines under the Non Banking Financial Companies (Reserve Bank) - Acceptance of deposits Rules 2007, and the provisions of RBI Act 1934 as applicable to it.

I 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 clarifications 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. I 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.

Place : Kampur

Date : April 25, 2015

Name : **Vibha Mehrotra**
C.S. No. 3103, CP No. 1832

SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Shareholding as on 31st March, 2015

Category of Share Holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of the Total Shares	Demat	Physical	Total	% of the Total Shares	
(A) Promoters									
1 Indian									
(a) Individual/ HUF	4140519	0	4140519	69.01	4140519	0	4140519	69.01	0.00
(b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Government	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (1)	4140519	0	4140519	69.01	4140519	0	4140519	69.01	0.00
2. Foreign									
(a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (2) :	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1)+(A) (2)	4140519	0	4140519	69.01	4140519	0	4140519	69.01	0.00
(B) Public Shareholding									
1 Institutions									
(a) Mutual Funds	0	600	600	0.01	0	600	600	0.01	0.00
(b) Banks/FI	600	100	700	0.01	600	100	700	0.01	0.00
(c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00

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(d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) FIs and QFI	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
(i) Other	0	0	0	0.00	0	0	0	0.00	0.00
(a) Foreign Portfolio Investors	0	0	0	0.00	0	0	0	0.00	0.00
(b) Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (B) (1) :	600	700	1300	0.02	600	700	1300	0.02	0.00
2 Non-Institutions									
(a) Bodies Corporate									
(I) Indian	10987	22400	33387	0.56	8949	22400	31349	0.52	-0.03
(II) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
(I) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	296071	1513156	1809227	30.15	312309	1498856	1811165	30.19	0.03
(II) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	10878	0	10878	0.18	10978	0	10978	0.18	0.00
(c) Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
(c-i) Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
(c-ii) NRI-Rep	4489	200	4689	0.08	4489	200	4689	0.08	0.00
(c-iii) NRI-Non Rep	0	0	0	0.00	0	0	0	0.00	0.00
(c-iv) Directors & Relatives	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (B) (2) :	322425	1535756	1858181	30.97	336725	1521456	1858181	30.97	0.00
Total Public Shareholding (B) = (B)(1) + (B) (2)	323025	1536456	1859481	30.99	337325	1522156	1859481	30.99	0.00
(C) Shares held by custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A+B+C)	4463544	1536456	6000000	100.00	4477844	1522156	6000000	100.00	0.00

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(ii) Shareholding of Promoters as on 31st March, 2015

Share Holder's Name	No. of Shares held at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
	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	
1 Krishna Behari Agarwal	4140519	69.01	0	4140519	69.01	0	0
Total	4140519	69.01	0	4140519	69.01	0	0

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(iii) Change in Promoter's Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total share of the company	No. of Shares	% of total share of the company
	As the beginning of the year	4140519	69.01	4140519	69.01
			There is no change in the absolute shareholding of the Promoters during the year		
	As the end of the year	4140519	69.01	4140519	69.01

(iv) Shareholding Pattern of Top Ten Shareholders (other than Director's, Promoters and holders of GDRs and ADRs) :

Sr. No.	For each of the Top 10 Shareholders Name, Date, Reason of Change	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Amrandra Nath Mishra	10678	0.18	10678	0.18
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015)	N.A.	N.A.	10678	0.18
2	Vijaya Commercial Credit Limited	8800	0.15	8800	0.15
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015)	N.A.	N.A.	8800	0.15
3	Vipul Rajendra Bhai Gandhi	0	0.00	0	0.00
Add	Market Purchase	6500	0.11	6500	0.11
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015)	N.A.	N.A.	6500	0.11
4	Madhuri Om Prakash Damani	6000	0.10	6000	0.10
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015)	N.A.	N.A.	6000	0.10
5	Raj Kumar Kukreja	6000	0.10	6000	0.10
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015)	N.A.	N.A.	6000	0.10

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6	Mohsin Nazarally Patel	5000	0.08	5000	0.08
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	5000	0.08
7	Vinod Tibrewala	5000	0.08	5000	0.08
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	5000	0.08
8	Mohit Gangwani	5000	0.08	5000	0.08
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	5000	0.08
9	Rajendra Dhirajlal Gandhi (HUF)	5000	0.08	5000	0.08
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	5000	0.08
10	Bharti Bhen Rajendra Gandhi	5000	0.08	5000	0.08
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	5000	0.08

(v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	For each of the Top 10 Shareholders Name, Date, Reason of Change	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	Padam Kumar Jain	100	0.002	100	0.002
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	100	0.002
2	Bitthal Das Agarwal	200	0.003	200	0.003
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	200	0.003
3	Manju Jain	200	0.003	200	0.003
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	200	0.003
4	Gokul Das Maheshwari	100	0.002	100	0.002
Less	20.05.2014 Market Sale	(-) 60	0.001	40	0.001
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	40	0.001
5	V. K. Pandey	100	0.002	100	0.002
Less	20.05.2014 Market Sale	(-) 80	0.001	20	0.000
Add	17.11.2014 Market Purchase	200	0.003	220	0.004
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	220	0.004
6	R.N. Singh	100	0.002	100	0.002
Less	20.05.2014 Market Sale	(-) 80	0.001	20	0.000
	At the end of the year (or on the date of separation, if separated during the year (31.03.2015))	N.A.	N.A.	20	0.000

**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 8 times during the year. These were on 12/04/2014, 24/05/2014, 09/08/2014, 01/09/2014, 10/09/2014, 28/10/2014, 23/01/2015 and 24/02/2015.

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	Attendance of the last AGM held on 23.08.2014	Chairman		No. of Membership in Committee of Directors in other Companies
					Director	Member	
Shri Yadupati Singhania Chairman (Appointed as an Additional Director w.e.f. 02.02.2015)	Independent Non-Executive	8	-	No	-	15	-
Dr. Gaur Hari Singhania Chairman (Ceased to be a director w.e.f. 24.02.2015)	Independent Non-Executive	8	1	No	-	-	-
Dr. K. B. Agarwal Vice-Chairman	Promoter Non-Independent Non-Executive	8	7	Yes	-	3	5
Dr. B. D. Agarwal Director	Non-Independent Non-Executive	8	2	No	-	-	-
Shri Padam Kumar Jain Director	Independent Non-Executive	8	6	Yes	-	4	-
Shri Raj Kumar Gupta Director (ceased to be a Director w.e.f. 01.09.2014)	Independent Non-Executive	8	2	Yes	-	-	-
Ms. Manju Jain Director (Appointed as an Additional Director w.e.f. 01.09.2014)	Independent Non-Executive	8	4	No	-	-	-
Shri G.D. Maheshwari Director	Non-Independent Executive	8	8	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, 2015 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 Padam Kumar Jain : Independent, Non-Executive Director & Chairman of the Committee
Ms. Manju 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 the Audit Committee constituted by the Board in terms of Section 177 of the Companies Act, 2013 and the Corporate Governance code as prescribed under clause 49 of the Listing Agreement.

B. Meetings/Attendance

During the financial year ended 31st March, 2015, four meetings were held on 24th May 2014, 9th August, 2014, 28th October, 2014 and 23rd January, 2015.

The Committee adopted the annual accounts for the year 2013-2014 in their meeting held on 24th May, 2014.

The attendance of the committee meetings is as under:

Name of Members	Meetings Held	Meetings Attended
Shri Padam Kumar Jain	4	4
Shri Raj Kumar Gupta (ceased w.e.f. 01.09.2014)	4	2
Ms. Manju Jain (Appointed w.e.f. 01.09.2014)	4	2
Shri G.D. Maheshwari	4	4

4. REMUNERATION COMMITTEE**A. Composition**

The Nomination and Remuneration Committee of the Company comprised of Shri Padam Kumar Jain, Dr.B.D. Agarwal and Ms. Manju Jain.

During the year Shri Raj Kumar Gupta resigned from the Committee w.e.f. 01.09.2014.

B. Meetings /Attendance

During the financial year ended 31st March, 2015 no meeting was held.

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 to all the Directors for the year ended 31st March, 2015.



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

10. GENERAL SHAREHOLDER INFORMATION

10.1. Annual General Meeting
Day, Date and Time - Saturday, the 22nd August, 2015 at 10.00 am.
Venue - Registered Office of the Company at 16/16-A, Civil Lines, Kanpur - 208 001

10.2. Financial Calendar (tentative)

Results for the quarter
Ending June 30, 2015 - Last week of July, 2015
Ending Sept. 30, 2015 - Last week of Oct., 2015
Ending Dec. 31, 2015 - Last week of Jan., 2016

Results for the year

Ending March 31st, 2016 - Upto 31st May, 2016
Annual General Meeting - Upto September, 2016

10.3. Book Closure Date - 14th August, 2015 to 22nd August, 2015 (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, Dalal Street, Mumbai-400001.

10.6. Stock Code

Demat ISIN in NSDL/CDSL - INE130F01 016

10.7. Stock Market Price data for the year 2014-2015

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

Month	Market Price Data (₹)	
	Bombay Stock Exchange (BSE)	High Low
April, 2014	6.00	5.90
May, 2014	5.90	5.33
June, 2014	6.48	5.35
July, 2014	6.20	5.58
August, 2014	6.67	5.00
September, 2014	6.67	5.99
October, 2014	6.03	5.48
November, 2014	8.45	5.75
December, 2014	9.74	7.28
January, 2015	10.50	8.91
February, 2015	8.53	6.37
March, 2015	6.73	6.10

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.

Name of Directors	Salary	Benefits	Sitting Fee	Total ₹
Dr. Gaur Hari Singhania (Ceased w.e.f. 24.02.2014)	-	-	1000	1000
Dr. K. B. Agarwal	-	-	7000	7000
Shri Padam Kumar Jain	-	-	8000	8000
Dr. B. D. Agarwal	-	-	2000	2000
Shri Raj Kumar Gupta (Ceased w.e.f. 01.09.2014)	-	-	3000	3000
Ms. Manju Jain	-	-	5000	5000
(Appointed w.e.f. 01.09.2014)	261000	64541	-	325541
Shri G. D. Maheshwari				

5. STAKEHOLDERS RELATIONSHIP 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
Shri Padam Kumar Jain	9	9
Shri G. D. Maheshwari	9	9

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

During the year under review, no complaint was received.

6. GENERAL BODY MEETING

Location and time, where last three AGMs were held:

Financial Year	Date	Time	Place of the Meeting
2013-2014	23.08.2014	10.00 a.m.	16/16-A, Civil Lines, Kanpur
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

During the year ended 31st March, 2015, 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).

