

KBS INDIA LIMITED

29TH ANNUAL REPORT

2014-2015

Board of Directors

Mr. Tushar Shah	Chairman & Managing Director
Mr. Ketan Shah	Non- Executive Non Independent Director
Mr. Nilesh Dharia (up to 30 th March, 2015)	Independent Director
Mr. Vinod Kumar Bapna	Independent Director
Mrs. Sanjeevlata Samdani (w.e.f 31 st March, 2015)	Independent Director

Chief Financial Officer

Mr. Chandrakant Lodaya
(w.e.f.31st March, 2015)

Statutory Auditors

M/s. Gopal Rao & Associates
Chartered Accountant
Mumbai

Secretarial Auditors

M/s. Manish Ghia & Associates
Company Secretaries
Mumbai

Bankers

Bank of India, Mumbai
Axis Bank, Mumbai

Registered Office:

502, Commerce House,
140, Nagindas Master Road,
Fort, Mumbai – 400 001.
Tel. No.: 022 – 2264 2670/74
Fax No.: 022 – 2264 2673
Email: chandu.kbs@outlook.com

Registrar and Share Transfer Agents:

M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West),
Mumbai - 400 078
Tel. No.: 022 – 2596 3838
Fax No.: 022-2596 4696
Email: mumbai@linkintime.co.in

KBS INDIA LIMITED

[CIN: L51900MH1985PLC035718]

Registered Office: 502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai – 400 001

Tel. No.: 022 – 2264 2670/74; Fax No.: 022 – 2264 2673; Email: chandu.kbs@outlook.com, website : www.kbs.co.in

NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the members of **KBS INDIA LIMITED** will be held on Thursday, the 31st December, 2015 at 4.00 p.m. at 502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai – 400 001 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31st March, 2015 together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Ketan Babulal Shah, (DIN: 00925565), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, as amended from time to time, M/s. Gopal Rao & Associates, Chartered Accountants, Mumbai (having FRN 127055W) be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next Annual General Meeting of the Company and the Board of Directors of the Company be and is hereby authorized to fix their remuneration.”

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mrs. Sanjeevlata Samdani (DIN: 06777920), who was appointed as an Additional Independent Director of the Company with effect from 31st March, 2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of Articles of Association of the Company and in respect of whom the Company has received a notice in writing along with the requisite deposit from a member as required under Section 160 of the Companies Act, 2013 signifying his intention to propose her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 to hold office as such up to 30th March, 2020, who shall not be liable to retire by rotation.”

5. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Tushar Shah, Managing Director of the Company for a further period of five (5) years w.e.f. 1st July, 2015 till 30th June, 2020 on the following terms and conditions:

- I. Term of re-appointment: w.e.f. 1st July, 2015 till 30th June, 2020;
- II. Remuneration payable:
 - A. Salary: Rs. 1,00,000/- per month;
 - B. Perquisites:
 - a. Provident Fund/Superannuation/Annuity Fund: The contribution to Superannuation /Annuity Fund shall be in accordance with the Scheme of the Company. Contribution to Provident Fund, Superannuation Fund or Annuity fund will not be included in the computation of the ceiling or perquisites to the extent such contribution either singly or put together are not taxable under the Income Tax Act.
 - b. Gratuity: As per the rules of the Company, payable in accordance with the approved Gratuity Fund and which shall not exceed half a month's salary for each complete year of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.
 - c. Encashment of Leave: Leave encashment will be provided as per the normal rules of the Company and encashment of such leave at the end of the tenure of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Tushar Shah, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

6. To consider and, if thought fit, to pass the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the new set of Articles of Association (AoA), be and is hereby approved and adopted as new Articles of Association of the Company in the place and exclusion of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take necessary steps and actions for the purposes of filings and registrations of various returns / documents, as may be required for adoption, as aforesaid of the new Articles of Association and to do all such acts, deeds, matters and things in connection therewith or incidental thereto.”

Place: Mumbai
Date: 27th November, 2015

By Order of the Board of Directors

Registered Office:
502, Commerce House,
140, Nagindas Master Road,
Fort, Mumbai – 400 001

Tushar Shah
Chairman & Managing Director

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses is annexed hereto and forms part of this Notice.
3. Pursuant to Clause 49 of the Listing Agreement, a brief resume and the relevant details of the Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting is annexed to the Notice.
4. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting.
5. Members are requested to forward all Share Transfers and other communications to the Registrar & Share Transfer Agents (RTA) of the Company and are further requested to always quote their Folio Number in all correspondences with the Company.
6. Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 29th December, 2015 to Thursday, 31st December, 2015 (both days inclusive) for the purpose of the ensuing Annual General Meeting.
7. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
8. Members who hold the shares in dematerialized form are requested to bring their client ID and D.P. ID for easier identification of attendance at the meeting.
9. Members holding shares in identical order of names in more than one folio are requested to write to the Company/RTA enclosing their original Share Certificates to enable the Company to consolidate their holdings in one folio for better services.
10. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company / RTA quoting their Folio Number. Members holding shares in the electronic form may update such details with their respective Depository Participants.
11. To comply with the provisions of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules, 2014, the Company is required to update its database by incorporating some additional details of its members.

Members are therefore requested to submit their e-mail ID and other details vide the e-mail updation form attached in this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and by returning the same by post.

The e-mail ID provided shall be updated subject to the successful verification of their signatures from the records available with the RTA of the Company.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 are open for inspection at the Registered Office of the Company during the office hours on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and also during the Annual General Meeting.
13. Members desirous of obtaining any information about the accounts and operations of the Company are requested to address their queries to the Compliance Officer at the Registered Office of the Company at least ten days in advance from the date of the meeting so that the information required be made readily available at the meeting.
14. The Notice of the Twenty Ninth Annual General Meeting and instructions for remote e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose e-mail address are registered with the Company/Depository Participant(s) unless member has requested for hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by courier.
15. 98.32% of the total equity shares of the Company was held in dematerialized form as on 31st March, 2015. Members desiring to dematerialize/ rematerialize their shares may forward their request directly to the Depository Participant with whom they have opened the account.
16. **E-Voting process**

The Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through National Securities Depository Limited (NSDL) as an alternative, for all members of the company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the Twenty Ninth Annual General Meeting of the Company, dated 27th November, 2015 (the AGM Notice).

The facility for voting, either through electronic voting system or through ballot / polling paper shall also be made available at the venue of the Twenty Ninth AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM. In case, members cast their vote through both the modes, voting done by remote e-voting shall be considered and vote cast through polling paper shall be treated as invalid.

The Company has appointed M/s. Manish Ghia & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed 24th December, 2015 as the 'Cut-off Date'. The remote e-voting /voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. 24th December, 2015 only.

The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period begins on 28th December, 2015 (9:00 am) and ends on 30th December, 2015 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 24th December, 2015 may cast their votes electronically. The remote e-voting module shall be disabled by NSDL for voting after 5.00 p.m. on 30th December, 2015.

1. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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2. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

3. Click on Shareholder - Login
4. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
5. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
7. Select "EVEN" of "KBS India Limited". Members can cast their vote online from 28th December, 2015 (9:00 am) and ends on 30th December, 2015 (5:00 pm).

Note: e- Voting shall not be allowed beyond said time.

8. Now you are ready for remote e-voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once you have voted on the resolution, you will not be allowed to modify your vote.
12. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@mgconsulting.in with a copy marked to evoting@nsdl.co.in.
13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
14. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
15. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
16. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24th December, 2015.
17. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 24th December, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

18. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
20. M/s. Manish Ghia & Associates, Company Secretaries, Mumbai has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
21. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
22. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
23. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

Mrs. Sanjeevlata Samdani has been appointed as an Additional Independent Director for a period of five years with effect from 31st March, 2015, subject to approval of shareholders at the ensuing Annual General Meeting. She is a member of Institute of Company Secretaries of India. She is also a Cost Accountant and a Graduate in Law. She possesses vast experience in Secretarial and legal areas.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Director requires approval of shareholders.

Mrs. Sanjeevlata Samdani has given the requisite declaration pursuant to Section 149(7) of the Companies Act, 2013, to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Company has also received notice along with requisite deposit from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Independent Director. Further, she is not disqualified from being appointed as director in terms of Section 164 of the Act and has given her consent to act as director.

In the opinion of the Board, Mrs. Sanjeevlata Samdani fulfills the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and she is independent of the management.

The draft letter of appointment is available for inspection by members at the registered office of the Company between 11.00 a.m and 1.00 p.m on all working days of the Company.

The Nomination & Remuneration Committee has also recommended the appointment of Mrs. Sanjeevlata Samdani as Independent Director for a period of 5 years.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Sanjeevlata Samdani as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Sanjeevlata Samdani as an Independent Director for approval by the shareholders of the Company.

Mrs. Sanjeevlata Samdani is not holding any shares in the Company. Except, Mrs. Sanjeevlata Samdani, being an appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the said resolution.

Brief resume of the Directors proposed to be appointed/re-appointed as stipulated under the Clause 49 of the Listing Agreement with BSE Limited are given in the annexure to the Notice.

Item No. 5

Mr. Tushar Shah is the Managing Director of the Company and is associated with the Company since 1997. He is a Commerce Graduate and has vast experience of 29 years in the field of Stock Exchange and related services.

Considering his experience, knowledge and contribution made in the growth of the Company and as recommended by the Nomination and Remuneration Committee, subject to approval of the members, the Board of Directors has reappointed him as Managing Director of the Company for a further period of 5 (Five) years w.e.f. 1st July, 2015 till 30th June, 2020 on the following terms and conditions:

- I. Term of re-appointment: w.e.f. 1st July, 2015 till 30th June, 2020;

II. Remuneration payable:

- a. Salary: Rs. 1,00,000/- per month;
- b. Perquisites:
 1. Provident Fund / Superannuation / Annuity Fund: The Contribution to Superannuation /Annuity Fund shall be in accordance with the Scheme of the Company. Contribution to Provident Fund, Superannuation fund or Annuity fund will not be included in the computation of the ceiling or perquisites to the extent such contribution either singly or put together are not taxable under the Income Tax Act.
 2. Gratuity: As per the rules of the Company, payable in accordance with the approved Gratuity Fund and which shall not exceed half a month's salary for each complete year of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.
 3. Encashment of Leave: Leave encashment will be provided as per the normal rules of the Company and encashment of such leave at the end of the tenure of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.

The above remuneration is to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provisions of Schedule V of the Companies Act, 2013.

The Board of Directors recommends the Ordinary Resolution as set out at item no. 5 of the notice for approval of the Members.

Except Mr. Tushar Shah, none of the Directors, Key Managerial Personnel of your Company and or relatives of Directors/ Key Managerial Personnel are in any way, interested in the said resolution.

Item No. 6

The existing Articles of Association (AoA) of the Company are based on the provisions of the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and with the enforcement of the Companies Act, 2013 ('New Act'), various provisions of the Companies Act, 1956 have become ineffective and in view thereof the Articles of Association of the Company needs to be re-aligned as per the provisions of the new act.

The Board of Directors at its meeting held on 8th August, 2015 considered to incorporate/substitute/alter certain provisions of the AOA as per the latest amendments of the Companies Act, 2013. However, since this would result in carrying out number of changes in the existing Articles of Association, the Board decided to adopt a new set of Articles of Association in place of and to the exclusion of existing Articles of Association of the Company.

In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for adoption of new set of Articles of Association of the Company.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the Registered Office of the Company during the office hours on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and also during the Annual General Meeting. A copy of the proposed new AOA is also available on the website of the Company for inspection of members.

The Board recommends the Special Resolution as set out in item no. 6 of the Notice for your approval.

None of the Directors, Key Managerial Personnel of your Company or their relatives is in any way, deemed to be concerned or interested in the said resolution.

In pursuance of Clause 49(VIII)(E) of the Listing Agreement, details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting are as follows:

Name of Director	Mr. Ketan Shah	Mrs. Sanjeevlata Samdani	Mr. Tushar Shah
Date of Birth/Age	30 th October, 1961	5 th August, 1970	19 th January, 1963
Nationality	Indian	Indian	Indian
Date of appointment as Director	24 th December, 2005	31 st March, 2015	20 th February, 1997
Designation	Director	Independent Director	Managing Director
Qualification	Commerce Graduate	CS, LLB & ICWA	Commerce Graduate
Experience/Expertise	He is having experience of 11 years in the field of finance.	She is having vast experience in Secretarial and legal field.	He is having vast experience of 30 years in the field of Capital Market and related services.
Shareholding in the Company Equity shares of Rs. 10/- each	9,00,000 Equity Shares	NIL	22,09,688 Equity Shares
List of Directorships held in other Companies	1. Motor Hood Depot (India) Pvt Ltd. 2. Astir Engineers LLP 3. Zeal Corrugation Pvt Ltd. 4. Hindpur Infradevelopers Pvt Ltd. 5. Grid Infradevelopers Pvt Ltd. 6. Tulsi Estates Pvt. Ltd.	NIL	1. Hindpur Infradevelopers Pvt Ltd. 2. Grid Infradevelopers Pvt Ltd
List of Chairmanship and Membership in other Public Companies	NIL	NIL	NIL
Relationship with existing Directors of the Company	Not related	Not related	Not related

Place: Mumbai
Date: 27th November, 2015

By Order of the Board of Directors

Registered Office:
502, Commerce House,
140, Nagindas Master Road,
Fort, Mumbai – 400 001

Tushar Shah
Chairman & Managing Director

DIRECTORS' REPORT

To,
The Members of
KBS India Limited

Your Directors have pleasure in presenting herewith 29th Annual Report together with the Financial Statement of the Company for the financial year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS:

The financial figures for the year under review are given below:

Particulars	(Amount in Rs.)	
	2014-15	2013-14
Income from operation and other Income	2,31,52,091	2,70,33,116
Profit before Depreciation & Amortization Expenses, Finance Cost and Tax	29,88,689	19,00,428
Less: Depreciation	11,23,475	4,03,433
Finance Cost	10,77,927	9,41,500
Profit (Loss) before Tax	7,87,287	5,55,495
Less: Current tax	7,86,859	2,09,487
Deferred Tax	(2,76,378)	-
Profit/(Loss) After Tax	2,76,806	3,46,008
Add: Balance brought forward from previous year	3,89,77,856	3,86,31,848
Balance carried to Balance Sheet	3,92,54,662	3,89,77,856

OPERATIONS:

During the year under review, the Company could achieve income of Rs. 231.52 Lacs during the year as compared to Rs. 270.33 Lacs during the previous year. The Profit before tax was Rs. 7.87 Lacs during the year as compared to Profit before tax of Rs. 5.55 Lacs in the previous year. Net profit after tax of the Company is Rs. 2.76 Lacs during the year as compared to Profit of Rs 3.46 Lacs in the previous year.

DIVIDEND:

In view to conserve the resources for the future business requirements, your Directors do not recommend any payment of dividend for the year ended 31st March, 2015.

SHARE CAPITAL OF THE COMPANY:

The paid up equity share capital of your Company as on 31st March, 2015 is Rs. 90,211,880/- (Rupees Nine Crores Two Lakhs Eleven Thousand Eight Hundred Eighty only) divided into 85,21,188 Equity shares of Rs. 10/- (Rupee Ten) each and 50,000 0% Redeemable Preference Shares of Rs. 100/- (Rupees Hundred) each.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and the Articles of Association of the Company, Mr. Ketan Babul Shah, Non-Executive Non Independent Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Board recommends his re-appointment.

Further, the Board of Directors of the Company appointed Mrs. Sanjeevlata Samdani as an Additional (Independent) Director of the Company for a period of five years w.e.f. 31st March, 2015 upto 30th March, 2020 subject to approval of shareholders at the ensuing Annual General Meeting. The Company has received a notice along with requisite deposit from a member of the Company under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company.

Further the Board of Directors appointed Mr. Tushar Shah as Managing Director of the Company for a further period of five years w.e.f 1st July, 2015 till 30th June, 2020, subject to approval of Members at the ensuing Annual General Meeting.

Your Board recommends the above appointment /re-appointment.

Mr. Nilesh Dharia, Independent Director resigned from the directorship of the Company w.e.f. 31st March, 2015. The Board expresses its appreciation to Mr. Nilesh Dharia for his valuable guidance as Director of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered with the Stock Exchange.

As stipulated under Clause 49 of the Listing Agreement, brief resume of the Directors proposed to be appointed/re-appointed are given in the Notice convening 29th Annual General Meeting of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Chandrakant Lodaya was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 31st March, 2015.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN:

An extract of Annual Return in Form MGT 9 is appended to this Report as **Annexure I**.

MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategies apart from other business. A tentative annual calendar of the Board and Committee Meetings is informed to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors of the Company. Usually, meetings of the Board are held in Mumbai, Maharashtra. The agenda of the Board / Committee meetings is circulated 7 days prior to the date of the meeting. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met five times during the year the details of which are given in the Report on Corporate Governance. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE AND ITS COMPOSITION

The Audit Committee of the Company reviews the reports to be submitted with the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process.

As on 31st March, 2015, the Audit Committee comprised of Mrs. Sanjeevlata Samdani, Mr. Vinod Bapna, Independent Directors and Mr. Tushar Shah Managing Director of the Company.

Mrs. Sanjeevlata Samdani is the Chairman of Audit Committee of the Company.

SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company has a wholly owned subsidiary company named "KBS Capital Management (Singapore) Pte. Ltd.", Singapore which is engaged in the consultancy services. The Company does not have any Associate Company.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statement of subsidiary in Form AOC 1 is annexed as **Annexure II**.

EXTENSION OF ANNUAL GENERAL MEETING OF THE COMPANY:

The Company has taken approval from the Registrar of Companies, Maharashtra, Mumbai, vide letter dated 22nd September, 2015 and has extended the period of holding the Annual General Meeting of the Company for the financial

year ended 31st March, 2015 by three months i.e. up to a period of 31st December, 2015 for availing the time for preparation of the Financial Statements of the Company.

LISTING:

The Equity shares of the Company continue to be listed at the BSE Limited (BSE). The Company is in process of payment of listing fees to the said stock exchanges for the financial year 2015-16.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3)(c) of the Companies Act, 2013 state that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures,
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis;
- e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management Personnel and determination of salary of the Directors, Senior Management Personnel and any other employees of the Company. The Remuneration Policy is stated in the Report on Corporate Governance.

RISKS AND AREAS OF CONCERN

The Company has laid down a well-defined Risk Management Policy covering the risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013 :

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act, 2013 in Form AOC-2 is not applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :

The details of loans, guarantee or investment made by your Company under Section 186 of the Companies Act, 2013 during the financial year 2014-15 are given under Notes to Accounts of financial statements.

ANNUAL PERFORMANCE EVALUATION BY THE BOARD:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has adopted a Policy for evaluation of the performance of the Directors, Key Managerial Personnel and Senior Management Personnel. Based on the consideration of various parameters, gathered from all Directors, the performance of the Board and

individual Directors is evaluated. Besides, the Board has also developed a system to evaluate the performances of each of executive and non-executive and Independent Directors. Such questions are prepared considering the business of the Company and the expectations that the Board have from each of the Directors and the value addition provided by them.

The Policy, inter alia, provides the criteria for performance evaluation of Directors consisting of;

- i. Attendance of the directors at the Meetings and the quality of contribution at Board and it's Committee/s meetings;
- ii. Participation of such director in the company's business and attribution to the strategic plans of the Management;
- iii. Relationship with other Board members and other officials of the Senior Management;
- iv. Sharing of knowledge and experience for the benefit of the Company.

During the year under review, a separate meeting of the Independent Directors was held for evaluation of performance of non-independent directors, performance of the Board as a whole and performance of the Chairman.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There was no order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on Company's operations in future.

WHISTLE BLOWER POLICY/VIGIL MECHANISM POLICY:

The Company has a Vigil Mechanism / Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. The details of the Vigil Mechanism Policy is explained in the Report on Corporate Governance and also posted on the website of the Company. We affirm that during the financial year 2014-15, no employee or director was denied access to the Audit Committee.

INTERNAL AUDIT:

The Company has appointed M/s. R. R. Shah & Co., Chartered Accountants, Mumbai, as its Internal Auditors.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Secretarial Audit Report received from M/s. Manish Ghia & Associates, Practising Company Secretaries, Mumbai is appended as **Annexure – III** and forms part of this report.

SECRETARIAL AUDITOR'S REPORT :

In respect of the Secretarial Auditors' remarks in their report, the Company would like to state as under:

- A. In respect of Compliance under the Companies Act, 2013 and the as rules made there under.
 - a. In respect of resolutions passed by the board of directors in exercise of their powers under section 179 of the Act in the meeting held on 31st March, 2015 for the appointments of Chief Financial Officer, Internal Auditor and Secretarial Auditor, the company is yet to file MGT-14; the said form is to be filed within 30 days with normal fee or within a further period of 270 days with additional fee, and accordingly the company can file this form on or before 25th January, 2016 with requisite additional fee;

The Company is in process of filing the same.

- b. The company did not provide to its members the facility of voting through electronic means (e-voting) in respect of resolutions to be passed at the Annual General Meeting held on 30th December 2014; further in respect of the resolutions moved at the said Annual General Meeting the assent of the members present was ascertained through show of hands;

The above non compliance was unintentional and due to oversight.

- c. the company does not have a Company Secretary as required under section 203 of the Act; further the appointment of Chief Financial Officer was made only on 31.03.2015;

The Company is in process of appointing Whole – Time Company Secretary.

- d. the appointment of Internal Auditors has been made only on 31.03.2015;
The Company was in the process of recruiting and appointing suitable Internal Auditor to meet the requirements and on completion of the appropriate process, the Internal Auditor was appointed in the month of March, 2015.
- e. the company has extended loan to a wholly-owned subsidiary on which the interest payable is lower than the stipulated rate under section 186(7) and also there are no stipulation as to its repayment;
Due to oversight the interest rate was lower and the Company has subsequently taken steps to rectify the same together with finalization of other related terms of repayment.
- f. the company has not properly updated its website with the mandatory disclosures;
The Company is in process of updation of the same.
- B. In respect of Compliances following under Listing Agreement, the Company:
- g. has made payment of annual Listing Fee for the year 2014-15 only on 30.09.2015;
Due to unforeseen financial crunch, payment could not be made on time.
- h. has not informed the stock exchange of the appointment of Chief Financial Officer;
The above non-compliance was missed out inadvertently.
- i. has not paid annual charges for the year 2014-15 to the Depositories;
The Company is in process of making payment of the same.
- j. has not given prior intimation of the meeting of board of directors convened on 14.11.2014 for the approval of consolidated financials for the year ended 31.03.2014 and also did not publish the same in the newspapers as required under clause 41;
The above non compliance was unintentional and due to oversight.
- k. has not submitted the annual consolidated financial results for the year ended 31.03.2014 which was to be submitted latest by 30th May, 2014 and the same have not been published in the newspapers;
The above non compliance was unintentional and due to oversight.
- l. the details of inter corporate loans have not been disclosed in the company's annual report for the year ended 31st March, 2014 as required under clause 32;
The above non compliance was unintentional and due to oversight.
- m. has not uploaded the mandatory details/disclosures in the website.
The Company is in process of updation of the same.

INTERNAL FINANCIAL CONTROL:

The Audit Committee evaluates the efficacy and adequacy of financial control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and strives to maintain the Standard in Internal Financial Control.

REPORT ON CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement entered into with the stock exchanges, the following have been made a part of the Annual Report and are attached to this report:

- Management Discussion and Analysis Report;
- Report on Corporate Governance;
- Auditors' Certificate regarding compliance of conditions of Corporate Governance.

COMMITTEES OF THE BOARD:

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees. There are

currently three Committees of the Board, as follows:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

PARTICULARS OF REMUNERATION:

Pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of the ratio of remuneration of each Director to the median employee's remuneration are appended to this report as **Annexure IV**.

During the year under review, no employee was in receipt of remuneration exceeding the limits as prescribed under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

AUDITORS:

M/s. Gopal Rao & Associates., Chartered Accountants, the Statutory Auditors of your Company hold office as such upto the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that they are willing to continue as Statutory Auditors and if re-appointed, their re-appointment would be within the limits prescribed under Section 139 of the Companies Act, 2013 and they are not disqualified from being appointed as Auditor.

Your Directors recommend the re-appointment of M/s. Gopal Rao & Associates., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting upto the conclusion of next Annual General Meeting of the Company and to audit financial statements for the financial year 2015-16.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and adopted a Policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. There was no complaint on sexual harassment during the year under review.

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

As the Company is not engaged in any manufacturing activity, the question of conservation of energy and technology absorption does not arise. However, your Company took many initiatives to reduce the electricity consumption.

Foreign Exchange Inflow / Outgo:

(Amount in Rs.)

Particulars	2014-15	2013-14
Foreign Exchange earned	Rs. 43,13,014	Rs. 41,41,431
Foreign Exchange used	NIL	NIL

ACKNOWLEDGEMENT:

Your Directors express their gratitude for assistance and co-operation received from the Financial Institutions, Banks, Government Authorities, Customers, Vendors and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the Employees of the Company.

For and on behalf of the Board of Director

Place: Mumbai
Date: 27th November 2015

Tushar Shah
Chairman & Managing Director

ANNEXURE TO DIRECTORS' REPORT**Annexure I**

Form No. MGT-9
Extract of Annual Return
(As on the financial year ended on 31st March, 2015)

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L51900MH1985PLC035718
2.	Registration Date	22 nd March, 1985
3.	Name of the Company	KBS India Limited
4.	Category/Sub-Category of the Company	Indian Non-Government Company limited by shares
5.	Address of the Registered office and contact details	502 Commerce House, 140, Nagindas Master Road, Fort, Mumbai, Maharashtra 400001 Tel. : 022 – 2264 2670/74, Fax. : 022 – 2264 2673, Email : chandu.kbs@outlook.com Website: www.kbs.co.in
6.	Whether listed Company (Yes/No):-	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai – 400 078 Tel. : 022-2596 3838, Fax: 022-2596 4696 Email : mumbai@linkintime.co.in Website : www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the company
1.	Security Broking	6612	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares	Applicable Section
1	KBS Capital Management (Singapore) Pte. Ltd Address: 17, Phillip Street # 05-01 Grand Building, Singapore 048695	NA	Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	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 Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a. Individual/ HUF	3113128	0	3113128	36.53	3113128	0	3113128	36.53	0
b. Central Govt.	0	0	0	0	0	0	0	0	0
c. State Govt.	0	0	0	0	0	0	0	0	0
d. Bodies Corp.	0	0	0	0	0	0	0	0	0
e. Bank/ FI	0	0	0	0	0	0	0	0	0
f. Any Other (Specify)	0	0	0	0	0	0	0	0	0
Sub-total(A) (1):-	3113128	0	3113128	36.53	3113128	0	3113128	36.53	0
2. Foreign	0	0	0	0	0	0	0	0	0
a. NRI- Individual	0	0	0	0	0	0	0	0	0
b. Other Individuals	0	0	0	0	0	0	0	0	0
c. Body Corporate	0	0	0	0	0	0	0	0	0
d. Bank/ FI	0	0	0	0	0	0	0	0	0
e. Any Others	0	0	0	0	0	0	0	0	0
Sub-total(A) (2):-	0	0	0	0	0	0	0	0	0
Total Share Holders of Promoters (A)=(A1+A2)	3113128	0	3113128	36.53	3113128	0	3113128	36.53	0
1. Institution									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Bank/FI	0	0	0	0	0	0	0	0	0
c. Cent. Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.	0	0	0	0	0	0	0	0	0
e. Venture Capital	0	0	0	0	0	0	0	0	0
f. Insurance Co.	0	0	0	0	0	0	0	0	0
g. FIs	65949	0	65949	0.77	187946	0	187946	2.21	1.44
h. Foreign Portfolio Corporate	0	0	0	0	0	0	0	0	0
i. Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
j. Others	0	0	0	0	0	0	0	0	0
Sub- Total –B(1)	65949	0	65949	0.77	187946	0	187946	2.21	1.44

Category of Shareholders	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 Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a. Body Corporate	96290	100	96390	1.13	94945	100	95045	1.12	-0.01
b. Individual									
i. Individual shareholders holding nominal share capital upto Rs 1 lakh	349304	123460	472764	5.55	431404	118460	549864	6.45	0.9
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1620364	25000	1645364	19.31	1662364	25000	1687364	19.8	0.49
c. Others									
ci) Non Resident Indian (NRI)	1172	0	1172	0.01	4122	0	4122	0.05	0.04
cii) Clearing Member	6421	0	6421	0.08	43719	0	43719	0.51	0.43
ciii) Directors	900000	0	900000	10.56	900000	0	900000	10.56	0
Sub-total B (2)	2973551	148560	3122111	36.64	3136554	143560	3280114	38.5	1.86
Total Public Shareholding (B)= (B1+B2)	3039500	148560	3188060	37.41	3324500	143560	3468060	40.7	3.29
C. Shares held by Custodians for GDR's and ADRs	2220000	0	2220000	26.05	1940000	0	1940000	22.77	-3.28
Grand Total (A+B+C)	8372628	148560	8521188	100	8377628	143560	8521188	100	0

ii. Shareholding of Promoters and Promoters group:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding 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	Mr. Tushar Suresh Shah	2209688	25.93	0	2209688	25.93	0	0
2	Mrs. Madhu Suresh Shah	881220	10.34	0	881220	10.34	0	0
3	Ms. Tanya Tushar Shah	20000	0.23	0	20000	0.23	0	0
4	Mrs. Namita Tushar Shah	1120	0.01	0	1120	0.01	0	0
5	Mr. Tanay Tushar Shah	1100	0.01	0	1100	0.01	0	0
	Total	3113128	36.53	0	3113128	36.53	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change) –

Sr. No.	Promoters' Name	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	Mr. Tushar Suresh Shah				
A	At the beginning of year	2209688	25.93	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	2209688	25.93
2.	Ms. Madhu Suresh Shah				
A	At the beginning of year	881220	10.34	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	881220	10.34
3	Ms. Tanya Tushar Shah				
A	At the beginning of year	20000	0.23	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	20000	0.23
4	Mrs. Namita Tushar Shah				
A	At the beginning of year	1120	0.01	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	1120	0.01
5	Mr. Tanay Tushar Shah				
A	At the beginning of year	1100	0.01	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	1100	0.01

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

Sr. No.	Shareholders' Name	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	Mr. Yogesh Harivadan Chandawala				
A	At the beginning of year	881838	10.35		
B	Changes during the year	No change during the year			
C	At the end of year			881838	10.35
2.	Ares Diversified DR				
A	At the beginning of year	65949	0.77		
B	Changes during the year				
	Date	Reason			
	08.08.2014	Sell	(6000)	-0.07	59949
	15.08.2014	Sell	(10020)	-0.18	49929
	22.08.2014	Sell	(13675)	-0.16	36254
	05.09.2014	Purchase	43746	0.51	80000
	12.09.2014	Sell	(12898)	-0.15	67102
	19.09.2014	Sell	(14651)	-0.17	52451
	30.09.2014	Sell	(34060)	-0.40	18391
	03.10.2014	Sell	(10000)	-0.18	8391
	10.10.2014	Purchase	197670	2.32	206061
	17.10.2014	Sell	(110)	0.00	205951
	24.10.2014	Sell	(50)	0.00	205901
	31.10.2014	Sell	(13450)	-0.16	192451
	07.11.2014	Sell	(4280)	-0.05	188171
	06.03.2015	Sell	(100)	0.00	188071
	20.03.2015	Sell	(125)	0.00	187946
C	At the end of year			187946	2.21
3	Mr. Manoj Bhimshi Gala				
A	At the beginning of year	186430	2.19		
B	Changes during the year	No change during the year			
C	At the end of year			186430	2.19
4	Mrs. Vaishali Jignesh Kanakia				
A	At the beginning of year	137793	1.62		
B	Changes during the year	No change during the year			
C	At the end of year			137793	1.62
5	Mrs. Sneha Parekh				
A	At the beginning of year	71842	0.84		
B	Changes during the year	No change during the year			
C	At the end of year			71842	0.84

Sr. No.	Shareholders' Name	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
6	M/s. Shree Mallikarjun Tradinvest Pvt Ltd				
A	At the beginning of year	50000	0.59		
B	Changes during the year				
	Date Reason				
	04.07.2014 Sell	(6980)	-0.08	43020	0.50
	12.09.2014 Purchase	6365	0.07	49385	0.58
C	At the end of year			49385	0.58
7	Mr. Tushar Madhusudan Lehri				
A	At the beginning of year	50000	0.59		
B	Change during the year				
	Date Reason				
	11.07.2014 Sell	(300)	0.00	49700	0.58
	18.07.2014 Sell	(668)	0.00	49032	0.58
	25.07.2014 Sell	(1010)	-0.01	48022	0.56
C	At the end of year			48022	0.56
8	Ram Gopal Ramgarhia HUF				
A	At the beginning of year	0	0.00		
B	Change during the year				
	Date Reason				
	22.08.2014 Purchase	550	0.01	550	0.01
	29.08.2014 Purchase	4628	0.05	5178	0.06
	05.09.2014 Purchase	100	0.00	5278	0.06
	12.09.2015 Purchase	10000	0.18	15278	0.18
	19.09.2015 Purchase	4000	0.05	19278	0.23
	30.09.2015 Purchase	10000	0.18	29278	0.34
	03.10.2015 Purchase	7000	0.08	36278	0.43
	10.10.2014 Purchase	2000	0.02	38278	0.45
	31.10.2014 Purchase	100	0.00	38378	0.45
	07.11.2014 Purchase	50	0.00	38428	0.45
	14.11.2014 Purchase	2500	0.03	40928	0.48
	05.12.2014 Purchase	3000	0.04	43928	0.52
	19.12.2014 Purchase	50	0.00	43978	0.52
C	At the end of year			43978	0.52

Sr. No.	Shareholders' Name	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
9	M/s. Sykes & Ray Equities (I) Ltd				
A	At the beginning of year	5015	0.06		
B	Change during the year				
	Date Reason				
	11.04.2015 Purchase	5	0.00	5020	0.06
	25.04.2014 Purchase	2	0.00	5022	0.06
	16.05.2014 Purchase	105	0.00	5127	0.06
	23.05.2014 Purchase	2000	0.02	7127	0.08
	13.06.2014 Purchase	5	0.00	7132	0.08
	30.06.2014 Purchase	555	0.01	7687	0.09
	04.07.2014 Purchase	500	0.00	8187	0.10
	11.07.2014 Purchase	300	0.00	8487	0.10
	29.08.2014 Purchase	34100	0.40	42587	0.50
	05.09.2014 Purchase	110	0.00	42697	0.50
	12.09.2014 Purchase	10	0.00	42707	0.50
	27.03.2015 Sell	(12)	0.00	42695	0.50
C	At the end of year			42695	0.50
10	Mr. Sanjay Agarwal				
A	At the beginning of year	40100	0.47		
B	Changes during the year	No changes during the year			
C	At the end of year			40100	0.47

V. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP Name of the Director/KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Share	% of total shares of the company	No. of Share	% of total shares of the company
1.	Mr. Tushar Shah				
A	At the beginning of the year	2209688	25.93		
B	Changes during the year	No Change during the year			
C	At the end of year			2209688	25.93
2.	Mr. Ketan Shah				
A	At the beginning of the year	900000	10.56		
B	Changes during the year	No Change during the year			
C	At the end of year			900000	10.56
3.	Mr. Nilesh Dharia (upto 30.03.2015)				
A	At the beginning of the year	-	-	-	-
B	Changes during the year	-	-	-	-
C	At the end of year	-	-	-	-
4.	Mr. Vinod Kumar Bapna				
A	At the beginning of the year	-	-	-	-
B	Changes during the year	-	-	-	-
C	At the end of year	-	-	-	-
5.	Ms. Sanjeevlata Samdani (w.e.f. 31.03.2015)				
A	At the beginning of the year	-	-	-	-
B	Changes during the year	-	-	-	-
C	At the end of year	-	-	-	-
6.	Mr. Chandrakant Lodaya (w.e.f. 31.03.2015)				
A	At the beginning of the year	-	-	-	-
B	Changes during the year	-	-	-	-
C	At the end of year	-	-	-	-

V. INDEBTEDNESS

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

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.2014				
1) Principal Amount	-	11,80,500	-	11,80,500
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	11,80,500	-	11,80,500
Change in Indebtedness during the financial year	-	-	-	-
+ Addition	-	-	-	-
-Reduction	-	3,25,000	-	3,25,000
Net change	-	3,25,000	-	3,25,000
Indebtedness at the end of the financial year 31-03-2015	-	-	-	-
1) Principal Amount	-	8,55,500	-	8,55,500
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	8,55,500	-	8,55,500

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :-

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

Sr No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (in Rs)
		Mr. Tushar Shah Managing Director	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	12,00,000	12,00,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- As % of Profit		
	- Others, specify	-	-
5.	Others, please specify	-	-
	Total (A)	12,00,000	12,00,000
	Ceiling as per the Act	As per Section 197 read with Schedule V of the Companies Act, 2013	

B. Remuneration to other Directors:

Sr No.	Particulars of Remuneration	Name of Directors			Total Amount (in Rs)
		Mr. Vinod Kumar Bapna	Mr. Nilesh Dharia (upto 30.03.2015)	Ms. Sanjeevlata Samdani (w.e.f. 31.03.2015)	
1	Independent Directors				
	-Fee for attending board committee meetings	20,000	20,000	-	40,000
	- Commission	-	-	-	-
	- Others	-	-	-	-
	Total (1)	20,000	20,000	-	40,000
2	Other Non Executive Directors	Mr. Ketan Shah	-	-	
	-Fee for attending board committee meetings	-	-	-	-
	- Commission	-	-	-	-
	-Others	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)= (1+2)	20,000	20,000	-	40,000
	Overall Ceiling as per the Act	As per Section 197 of the Companies Act, 2013			

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/WTD:

Sr No.	Particulars of Remuneration	Name of the KMP	Total Amount (in Rs)
		*Mr. Chandrakant Lodaya Chief Financial Officer (w.e.f. 31.03.2015)	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	4,80,000	4,80,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- As % of Profit		
	- Others, specify	-	-
5.	Others, please specify	-	-
	Total (A)	4,80,000	4,80,000

- Mr. Chandrakant Lodaya was designated as CFO of the Company w.e.f. 31st March, 2015. However, the salary is reflected for the year 2014-15.

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL

ANNEXURE II

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. '000)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	KBS Capital Management (Singapore) Pte. Ltd
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31.03.2015
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD 62.59
4.	Share capital	0.09
5.	Reserves & surplus	2,685.67
6.	Total assets	1,43,985.17
7.	Total Liabilities	1,38,613.57
8.	Investments	-
9.	Turnover	4,311.82
10.	Profit before taxation	285.79
11.	Provision for taxation	7.20
12.	Profit after taxation	278.59
13.	Proposed Dividend	-
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: N.A.
- Names of subsidiaries which have been liquidated or sold during the year: N.A.

Part "B": Associates and Joint Ventures

Not Applicable as the Company does not have any Associate and Joint Venture

For KBS India Ltd

Place : Mumbai
Date : 27th November, 2015Tushar Shah
Managing DirectorKetan Shah
DirectorChandrakant Lodaya
Chief Financial Officer

ANNEXURE III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

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

To,
The Members,
KBS India Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KBS India Limited** (CIN: L51900MH1985PLC035718) having its registered office at 502, Commerce House, 140 Nagindas Master Road, Fort, Mumbai-400001 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, 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 **(Not applicable to the company during the audit period)**;
- (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 and Securities and Exchange Board of India (Share Based Employee Benefits)

- Regulations, 2014 notified on 28th October, 2014 **(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);** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the company during the audit period);**
- (vi) The Securities and Exchange Board of India (Stock-Brokers and Sub-Brokers) Regulations, 1992, in so far as submission of various returns/information or other particulars to be filed with under these Regulations;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable as Secretarial Standards were not notified during the audit period);**
- (ii) The Listing Agreement entered into by the Company with BSE Ltd., Mumbai.

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

A. In respect of compliance falling under Companies Act 2013 and the rules made thereunder:

- a. *In respect of resolutions passed by the board of directors in exercise of their powers under section 179 of the Act in the meeting held on 31st March, 2015 for the appointments of Chief Financial Officer, Internal Auditor and Secretarial Auditor, the company is yet to file MGT-14; the said form is to be filed within 30 days with normal fee or within a further period of 270 days with additional fee, and accordingly the company can file this form on or before 25th January 2016 with requisite additional fee;*
- b. *The company did not provide to its members the facility of voting through electronic means (e-voting) in respect of resolutions to be passed at the Annual General Meeting held on 30th December 2014; further in respect of the resolutions moved at the said Annual General Meeting the assent of the members present was ascertained through show of hands;*
- c. *the company does not have a Company Secretary as required under section 203 of the Act; further the appointment of Chief Financial Officer was made only on 31.03.2015;*
- d. *the appointment of Internal Auditors has been made only on 31.03.2015;*
- e. *the company has extended loan to a wholly-owned subsidiary on which the interest payable is lower than the stipulated rate under section 186(7) and also there are no stipulation as to its repayment;*
- f. *the company has not properly updated its website with the mandatory disclosures;*

B. In respect of compliances falling under Listing Agreement, the company:

- g. *has made payment of annual Listing Fee for the year 2014-15 only on 30.09.2015;*

- h. has not informed the stock exchange of the appointment of Chief Financial Officer;*
- i. has not paid annual charges for the year 2014-15 to the Depositories;*
- j. has not given prior intimation of the meeting of board of directors convened on 14.11.2014 for the approval of consolidated financials for the year ended 31.03.2014 and also did not publish the same in the newspapers as required under clause 41;*
- k. has not submitted the annual consolidated financial results for the year ended 31.03.2014 which was to be submitted latest by 30th May, 2014 and the same have not been published in the newspapers;*
- l. the details of inter corporate loans have not been disclosed in the company's annual report for the year ended 31st March, 2014 as required under Clause 32; and*
- m. has not uploaded the mandatory details/disclosures in the website*

We further report that

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

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

We further report that there are 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, however the same requires improvement and strengthening.

We further report that during the audit period there were no events/actions having a major bearing on the company's affairs.

For **Manish Ghia & Associates**
Company Secretaries

Place : Mumbai
Date: 27th November 2015

CS Manish L. Ghia
Partner
M. No. FCS 6252 C.P. No. 3531

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

‘Annexure A’

To,
The Members,
KBS India Limited
Mumbai

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report 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 **Manish Ghia & Associates**
Company Secretaries

Place : Mumbai
Date: 27th November 2015

CS Manish L. Ghia
Partner
M. No. FCS 6252 C.P. No. 3531

ANNEXURE IV

Details of the ratio of remuneration of each Director to the median employee's remuneration.

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year :-			
Sr. No.	Name of the Director	Ratio of remuneration to the median remuneration of the employees		
(1)	Mr. Tushar Shah-Managing Director	9.98		
(ii)	The percentage increase in remuneration of each director, CFO , CEO, Company Secretary or Manager, if any, in the financial year			
Sr. No.	Name of the Director/CFO/Company Secretary	% Increase over last F.Y.		
1	Mr. Tushar Shah- Managing Director	0		
2	Mr. Chandrakant Lodaya- Chief Financial Officer (w.e.f. 31 st March, 2015)	N.A.		
(iii)	The percentage increase in the median remuneration of employees in the financial year			-12.84
(iv)	The number of permanent employees on the rolls of the Company			8
(v)	The explanation on the relationship between average increase in remuneration and company performance	Annual increase in remuneration is based on the remuneration policy for different division, industry pattern, qualifications and experience, responsibilities shouldered and individual performance of the Key Managerial personnel and other employees and also performance of the Company.		
(vi)	Comparison of the remuneration of the KMP against the performance of the company	The comparison can't be made as there is no change in the remuneration paid to Mr. Tushar Shah – Managing Director since his appointment w.e.f 1 st July, 2010 and Mr. Chandrakant Lodaya- Chief Financial Officer has been appointed w.e.f 31 st March, 2015.		
(vii)	Variation in the market capitalization of the company, price earnings ratio as at the close date of the current financial year and previous financial year and the percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year			
Sr. No.	Particulars	As on 31st March, 2015	As on 31st March, 2014	Variation %
1	Market Capitalization	Rs. 6,32,27,214.96	Rs. 5,30,87,001.24	19.10 %
2	Price earning ratio	247.33	155.75	58.80
3	Market quotation of shares	The Company's stock price as at 31 st March, 2015 has decreased by 81.45% over the last public offer i.e. in August, 2001 at a price of Rs. 40 per share.		

(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	There was no increase in the remuneration of managerial personnel and the percentile decrease in the employees of the Company is 16.91%, therefore the same cannot be compared
(ix)	The keyparameters for any variable component of remuneration availed by the directors.	NIL
(x)	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	NA
<p>We hereby confirmed that the remuneration is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company and adopted by the company.</p> <p>Place: Mumbai Date: 27th November, 2015</p> <p style="text-align: center;">Tushar Shah Chairman & Managing Director</p> <p style="text-align: right;">Mrs. Sanjeevlata Samdani Chairman of Nomination & Remuneration Committee</p>		

MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2015. Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The Company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

Overview of the Indian Economy:

The performance of capital market in India has a direct correlation with the prospect of economic growth and political stability. Though the growth projections for FY 2015-16 appear reassuring, there are certain downside risks such as pace and shape of global recovery, effect of withdrawal of fiscal stimulus and hardening of commodity prices. Our business performance may also be impacted by increased competition from local and global players operating in India, regulatory changes and attrition of employees. With growing presence of players offering advisory service coupled with provision of funds for the clients' needs, we would face competition of unequal proportion. We continuously tackle this situation by providing increasingly superior customized services.

In financial services business, effective risk management has become very crucial. Your Company is exposed to credit risk, liquidity risk and interest rate risks. Your Company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analyzed and reviewed at various levels of management through an effective management information system.

Activity:

The Company is engaged in providing Stock Broking Services.

Future Outlook:

Based on the buoyancy of the Indian Economy, the overall scenario and steps taken by the management, the future outlook of your company looks good.

Risk Management System:

Your Company has proper and adequate system of internal controls commensurate with the size and nature of its business. However, strengthening of internal control systems is an ongoing exercise. Your Company manages risks associated with broking operations using internally developed credit monitoring system implemented through fully automated risk management software and selective direct monitoring of certain operating parameters. The automated risk management procedures rely primarily on internally developed risk management system and systems provided by system vendors. The Company manages business risks through strict compliance and internal checks. It will not be out of context to state that the system has worked very effectively during the year under review.

Further, the Company has an independent internal audit system. The process of internal audit involves, reviewing of existing Controls and Systems. Internal Audit also recommends the actions for strengthening of the business processes. The internal audit ensures adherence to operating guidelines, regulatory and legal requirements. The Audit committee of the board periodically reviews the reports of the Internal Auditors and takes corrective actions wherever necessary.

Internal Control System:

As noted by the auditors in their report, the Company has an Internal Control System commensurate with its requirements and the size of business.

Discussion on financial performance with respect to operational performance:

The Company earned total revenue of Rs. 235.52 Lacs during the year as compared to Rs. 270.33 Lacs during the

previous year. The Profit after tax achieved is Rs. 2.77 Lacs during the year as compared to Profit of Rs. 3.46 Lacs in the previous year.

Human Resource:

Being a part of the financial service sector your Company values human resource as human capital, it is equally important as financial capital for the growth of the Company. Your Company strongly believes that Human Resources are important to the success of any Company and your Company is taking all possible steps to employ, develop and retain the appropriate quality of resources to aid the Company in achieving success. Your Company continuously endeavors to attract and retain professional talent.

Cautionary Statement:

Statement in the Management Discussion and Analysis describing the company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities etc. over which the company does not have any control.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. The Company's philosophy on Corporate Governance is aimed at strengthening the confidence of the shareholders, customers, employees in the Company and building a long term relationship of trust with them by maintaining transparency and periodical disclosures. The Company believes in maintaining high standards of quality and ethical conduct, in its operations.

2. BOARD OF DIRECTORS:

a. Board Composition

The Board of Directors provides strategic direction and thrust to the operations of the Company. The Board of Directors comprised of total four Directors, out of these, one is Executive Director, one is Non-Executive/Non-Independent Director and other two are Independent Directors. The Company complies with the norms prescribed under Clause 49 of the Listing Agreement for constitution of Board of Directors.

b. Board Procedure

The agenda is prepared in consultation with the Chairman of the Board of Directors and the Chairman of other Committees. The agenda for the meetings of the Board and its Committees, together with the appropriate supporting documents are circulated well in advance of the meeting.

Matters discussed at Board meeting generally relate to Company's business operations, periodical quarterly results of the Company, review of the reports of Audit Committee, other Committees and compliance with their recommendation, suggestion, non-compliance of any regulatory, statutory or listing requirements etc.

c. Attendance at the Board Meeting and the last Annual General Meeting:

During the year under review, the Board of Directors met 5 (five) times on 30th May, 2014, 8th August, 2014, 14th November, 2014, 13th February, 2015 and 31st March, 2015. As stipulated, the gap between two board meetings did not exceeded one hundred and twenty days.

The details of composition and category of Directors, their attendance at each Board Meetings held during the financial year 2014-15 and at the last Annual General Meeting, and their directorships in other companies and Chairmanships / Memberships in Committees are as follows:

Name of Directors	Category	Attendance at the Board Meeting		No. of directorship held in other public companies (Note-1)	Committee position in other companies (Note 2)		Attendance at AGM held on 30 th December, 2014
		Held	Attended		Chairman	Member	
Mr. Tushar Shah	Promoter/ Chairman/ Managing Director	5	5	-	-	-	Yes
Mr. Ketan Shah	Non – Executive / Non – Independent Director	5	5	-	-	-	No
Mr. Vinod Bapna	Independent Director	5	5	-	-	-	Yes
Mr. Nilesh Dharia (upto 30.03.2015)	Independent Director	4	4	-	-	-	Yes
Mrs. Sanjeevlata Samdani (w.e.f 31.03.2015)	Independent Director	-	-	-	-	-	-

Note:

- The directorship held by directors as mentioned above do not include Directorships in Foreign Companies, Section 8 Companies and Private Limited Companies.
- Membership/Chairmanship of only the Audit Committee and Stakeholders' Relationship Committee has been considered.
- None of the directors hold directorships in more than 10 public limited companies, membership in more than 10 committees and chairmanship in more than 5 committees.

d. Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 13th February, 2015 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole and also regular information between the board and the management of the Company.

e. Director's Familiarization programme

The Company undertakes and makes necessary provision of an appropriate induction programme for new Directors and ongoing training for existing Directors. The new directors are introduced to the company culture, through appropriate training programmes. Such kind of training programmes helps develop relationship of the directors with the company and familiarise them with company processes. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction process is designed to:

- build an understanding of the Company processes and
- fully equip Directors to perform their role on the Board effectively

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of Director's induction and familiarization are available on the Company's website at www.kbs.co.in

f. Agenda:

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated in the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board and Committees for the information of the Board. Agenda papers are circulated seven days prior to the Board Meeting. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the ensuing Board Meeting.

g. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board members and all the employees in the management grade of the Company. The Code covers things the Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. All the Board members and senior management personnel have confirmed compliance with the code. A declaration by Mr. Tushar Shah, Chairman & Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on 31st March, 2015 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed to this Annual Report.

As per SEBI (Prevention of Insider Trading) Regulation, 1992, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees at Senior Management and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code.

3. BOARD COMMITTEES**a. Audit Committee**

As on 31st March, 2015 the Committee comprises of two independent director and one executive director having financial background and knowledge in the areas of business of the Company.

The Audit Committee met five times viz. 30th May, 2014, 8th August, 2014, 14th November, 2014, 13th February, 2015 and 31st March, 2015.

The number of meetings attended by each member during the year ended 31st March, 2015 is as follows:

Name of Members	Designation	No. of Meetings	
		Held	Attended
Mr. Nilesh Dharia (upto 30.03.2015)	Chairman	4	4
Mr. Vinod Bapna	Member	5	5
Mr. Tushar Shah	Member	5	5
Mrs. Sanjeevlata Samdani (w.e.f. 31.03.2015)	Chairperson	-	-

The terms of reference of the Committee are wide. The members have access to all the required information from the Company. The brief descriptions of terms of reference are as follows:

- Reviewing the performance of the Company as reflected in the financial statements, as also compliance with accounting policies and practices, regulatory requirements concerning the said financial statements.
- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment/re-appointment/removal of statutory auditors, fixation of audit fees and also approval of payments for any other services.
- Review with management the quarterly/half yearly and annual financial statements with the primary focus on accounting policies and practices, compliances with accounting standards and with the stock exchange and legal requirements concerning the financial statements.
- Reviewing with management, Statutory and internal auditors adequacy of the internal control systems in the Company.
- Discussing with internal and statutory auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them.
- Reviewing the Company's financial and risk management policies.

Mr. Nehal Shah, Compliance Officer acts as the Secretary of the Committee.

b. Nomination and Remuneration Committee

The Nomination and Remuneration Committee recommends the remuneration payable to Executive Directors and other senior employees of the Company. The Company pays sitting fees to Independent Directors for attending board meetings and professional services rendered to the Company.

During the year under review, the Nomination and Remuneration Committee met two times viz. 14th November, 2014 and 31st March, 2015. The Composition of the Committee as on 31st March, 2015 is as under.

Name of Directors	Designation	No. of Meetings	
		Held	Attended
Mr. Nilesh Dharia (upto 30.03.2015)	Chairman	1	1
Mr. Ketan Shah	Member	2	2
Mr. Vinod Bapna	Member	2	2
Mrs. Sanjeevlata Samdani (w.e.f. 31.03.2015)	Chairperson	-	-

Terms of reference of the Nomination & Remuneration Committee:

The Committee is empowered to –

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on

the Board and as Key Managerial Personnel's.

- Formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees.

Remuneration Policy:

The Company follows a policy on remuneration of directors and senior management employees.

Remuneration of Managing Director:

- At the time of appointment or re-appointment, the Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the Managing Director is broadly divided into fixed and variable component.
- In determining the remuneration the Nomination & Remuneration Committee shall consider the following:
 1. The relationship of remuneration and performance benchmarks is clear;
 2. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 3. Responsibility of the Managing Director's and the industry benchmarks and the current trends;
 4. The Company's performance vis-à-vis the annual budget achievement and individual performance.

Remuneration of Non-Executive Directors:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

Remuneration of Senior Management Employees:

In determining the remuneration of the Senior Management employees (i.e. KMPs and Executive Committee Members) the Nomination & Remuneration Committee shall consider the following:

1. The relationship of remuneration and performance benchmark is clear;
2. The fixed pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
3. The components of remuneration includes salaries, perquisites and retirement benefits;
4. The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, industry benchmark and current compensation trends in the market.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and after taking into account the appraisal score card and other factors mentioned hereinabove, recommends the annual increment to the Nomination & Remuneration Committee for its review and approval.

The Board members are provided with necessary documents and policies to enable them to familiarize themselves with the Company's procedures and practices. The details of such familiarization programmes for Independent Directors of the Company are posted on the Company's website at www.kbs.co.in.

Details of remuneration and sitting fees paid to the Directors:

The details of remuneration paid to the Directors during the year ended 31st March, 2015 and their shareholding is as follows:

(Amount in Rs.)

Name of the Directors	Salary & Perquisites	Performance Incentive/ Bonus	Commission	Sitting Fees	Total	No. of Shares held
Mr. Tushar Shah	12,00,000	-	-	-	12,00,000	22,09,688
Mr. Ketan Shah	-	-	-	-	-	9,00,000
Mr. Nilesh Dharia (upto 30.03.2015)	-	-	-	20,000	20,000	NIL
Mr. Vinod Bapna	-	-	-	20,000	20,000	NIL
Mrs. Sanjeevlata Samdani (w.e.f 31.03.2015)	-	-	-	-	-	NIL

Presently the Company does not have any scheme to grant stock options either to the Executive Directors or employees.

No remuneration/compensation is paid to Non-Executive Directors.

Mr. Nehal Shah, Compliance Officer acts as the Secretary of the Committee.

c. Stakeholders' Relationship Committee

During the year under review the Stakeholders' Relationship Committee met four times i.e. 30th May, 2014, 8th August, 2014, 14th November, 2014, and 13th February, 2015. The number of meetings attended by each member and composition of the Committee during the year ended 31st March, 2015 is as under:

Name of Directors	Designation	No. of Meetings	
		Held	Attended
Mr. Ketan Shah	Chairman	4	4
Mr. Vinod Bapna	Member	4	4
Mr. Tushar Shah	Member	4	4

Mr. Nehal Shah, Compliance Officer acts as the Secretary of the Committee.

The Committee meets as and when required, to deal with the matters relating to transfers, transmissions, issue of duplicate certificates, consolidation/split/renewal of share certificates and monitors redressal of complaints from shareholders relating to transfer, non-receipt of Annual Report, dematerialization of shares, etc.

During the year under review, no complaints were received from the shareholders.

4. VIGIL MECHANISM POLICY/WHISTLE BLOWER MECHANISM:

With the rapid expansion of business, various risks associated with the business have also increased considerably. Some such risks identified are the risk of fraud, misconduct and unethical behavior. To ensure fraud-free work and ethical environment, Company has laid down a Vigil Mechanism Policy. By which Company provides a platform to all the employees, vendors and customers to report any suspected or confirmed incident of fraud, misconduct, unethical behavior etc.

E-mail : chandu.kbs@outlook.com

Phone No. : 91-22-40362626

Written Communication to : 502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai. 400001.

The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and direct access to the Chairman of the Audit Committee is also available in exceptional cases. No employee of the Company was denied access to the Audit Committee.

Audit Committee reports to the Board of Directors.

Name and designation of Compliance officer:

Mr. Nehal Modi is the Compliance Officer of the Company.

5. GENERAL BODY MEETINGS AND POSTAL BALLOT PROCESS

A) General Body Meetings

Details of location, date and time where last three Annual General Meetings were held are given below:

Financial Year	Date	Time	Venue
2013-2014	30 th December, 2014	5.30 P.M.	502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai – 400 001
2012-2013	30 th September, 2013	5.30 P.M.	106/108, Jai Hind Building, 1 st Floor, Nagindas Master Road, Fort, Mumbai – 400 001
2011-2012	31 st December, 2012	4.00 P.M.	502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai – 400 001

Details of Special resolution passed in the last three Annual General Meeting are as under.

Date of AGM	Purpose of Special Resolution
30 th December, 2014	No special resolution was passed
30 th September, 2013	No special resolution was passed
31 st December, 2012	To appoint Mr. Tanay Shah, relative of Directors of the Company as Quant Research Analyst

No Special Resolution was passed through Postal Ballot during the financial year 2014-15. None of the business proposed to be transacted in the ensuing Annual General Meeting require a special resolution passed through Postal Ballot.

B) DISCLOSURES

a) Related party transactions:

There were no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors during the financial year ended 31st March, 2015 that may have potential conflict with the interest of the Company at large. The transactions with the related parties, as per the requirements of the Accounting Standard (AS) 18, are disclosed in the Notes on Accounts, forming part of the Annual Report. The policy on dealing with Related Party Transaction is available on Company's website at www.kbs.co.in.

b) Code of Conduct and Practising Company Secretaries Certificate on compliance of clause 49 of the Listing Agreement

The Company has laid down Code of Conduct for the Directors and Senior Management Personnel of the Company. A declaration to the effect that the Directors and Senior Managerial personnel have adhered to the same, signed by the Chairman and Managing Director of the Company and Certificate of Practising Company Secretaries on compliance of Clause 49 of the Listing Agreement by the Company forms part of this report.

c) Compliance by the Company

The Company has complied with the requirements of the Stock Exchange, Securities and Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital market during the last three years. The Stock Exchanges, SEBI or any statutory authority on any matter relating to capital markets imposed no penalties or strictures on the Company.

d) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent possible.

e) Disclosures of Risk Management

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Board.

f) CEO / CFO Certification

In terms of the requirement of Clause 49(ix) of the Listing Agreement a certificate from Mr. Tushar Shah, Chairman and Managing Director of the Company, in respect of financial year ended 31st March, 2015 was placed before the Board.

g) Review of Directors Responsibility Statement

The Board in its report has confirmed that the Annual Accounts for the year ended 31st March, 2015 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

h) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The details of these compliances along with the non-mandatory requirements adopted by the Company have been given below and Internal Auditors of the Company report to the Audit Committee in the relevant sections of this report. The Internal Auditors report to the Audit Committee.

i) Code for Prevention of Insider Trading Practices:

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Company has laid down a comprehensive Code of Conduct for prevention of Insider Trading for its Directors, Senior Management, Officers and other employees. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company.

C) MEANS OF COMMUNICATION

- a) At present half yearly report on accounts is not being sent to each household of shareholders.
- b) The quarterly/ half - yearly and yearly results are published in newspapers viz. 'Business Standard' and 'Mahanayak'.
- c) At present, the Company does not make presentation to institutional investors and analysts.
- d) The Company has its own website www.kbs.co.in.
- e) The Management Discussion and Analysis Report separately forms part of this Annual Report.

D) GENERAL INFORMATION FOR SHAREHOLDERS**a) Date, Time and Venue of Annual General Meeting**

Time : 4.00 p.m.

Date : 31st December, 2015

Day : Thursday

Venue : 502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai – 400 001

b) Financial Calendar: (2015-16)

Financial year - 1st April, 2015 to 31st March, 2016

Result for the quarter ending 30th June, 2015 - on 14th August, 2015

Result for the quarter ending 30th September, 2015 - on 9th November, 2015

Result for the quarter ending 31st December, 2015 - by 14th February, 2016

Audited Result for the year ending 31st March, 2016 - by 30th May, 2016.

c) Date of Book Closure: Tuesday, the 29th day of December, 2015 to Thursday, the 31st day of December, 2015 (both days inclusive)

d) Cut-off date for Remote E-voting: The remote e-voting /voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. Thursday, 24th December, 2015.

e) Listing on Stock Exchange: BSE Limited
The Company has paid the necessary listing fees for the year 2014-2015.

f) Stock Code: BSE: 530357

g) ISIN: INE883D01015

h) Market Price Data & comparison with BSE Sensex: The monthly high and low quotations of shares traded on the BSE Limited and BSE Sensex during each month in last financial year are as follows:

Month	Company's shares price at BSE*		BSE Sensex*	
	High (₹)	Low (₹)	High (Points)	Low (Points)
April, 2014	8.40	5.42	22939.31	22197.51
May, 2014	11.80	8.00	25375.63	22277.04
June, 2014	13.60	11.22	25725.12	24270.20
July, 2014	14.00	8.17	26300.17	24892.00
August, 2014	7.77	4.94	26674.38	25232.82
September, 2014	7.42	3.74	27354.99	26220.49
October, 2014	3.81	3.16	27894.32	25910.77
November, 2014	3.22	3.10	28822.37	27739.56
December, 2014	3.89	3.38	28809.64	26469.42
January, 2015	6.80	4.08	29844.16	26776.12
February, 2015	7.09	6.14	29560.32	28044.49
March, 2015	7.44	7.07	30024.74	27248.45

*Source: www.bseindia.com

i) Share Transfer System :

All shares sent for transfer in physical form are registered by the Company's Registrar and Share Transfer Agents (RTA) within a period of 15 days of the lodgment, if documents, are found in order. Shares under objection are returned within two weeks. All requests for dematerialization of shares are promptly processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CSDL) within 21 days.

j) Shareholding pattern as at 31st March, 2015:

Sr. No	Category of Holders	No. of Shares held	% of Shares held
1.	Promoter and Promoter group	31,13,128	36.53
2.	Mutual Funds/UTI	-	-
3.	Banks/Financial Institutions/ Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	-	-
4.	Venture Capital Funds	-	-
5.	FII's	1,87,946	2.21
6.	Bodies Corporate	95,045	1.12
7.	Individuals	22,37,228	26.25
8.	Clearing Member	43,719	0.51
9.	Directors and their relatives and friends	9,00,000	10.56
10.	NRI/OCBs	4,122	0.05
11.	Trust	-	-
12.	Foreign Corporate Bodies	-	-
13.	Shares held by Custodians and against which Depository Receipts have been issued - Promoters & Promoters Group -Public	- 19,40,000	- 22.77
	TOTAL	85,21,188	100.00

k) The Distribution of Shareholding as on 31st March 2015:

Slab of Shares Holding		Share Holders	Percentage %	Shares	Percentage %
From	To				
1	500	487	70.38	94434	1.11
501	1000	61	8.81	51398	0.60
1001	2000	36	5.20	59009	0.69
2001	3000	22	3.18	55950	0.66
3001	4000	12	1.73	44229	0.52
4001	5000	9	1.30	42368	0.50
5001	10000	32	4.62	242002	2.84
10001 and above		33	4.77	7931798	93.08
TOTAL		692	100.00	8521188	100.00

l) Dematerialisation of Shares:

As on 31st March, 2015 about 98.32% of the Company Equity Shares have been dematerialized.

m) Outstanding ADRs, GDRs, Warrants or any convertible instruments, conversion date and impact on Equity:

Outstanding 9,70,000 GDRs as on 31st March, 2015 represent 19,40,000 Equity Shares constituting 22.77% of the paid up Share Capital of the Company. Each GDR represents two underlying equity shares of Rs. 10/- each. The said GDRs are listed on Luxembourg Stock Exchange, Luxembourg.

n) Registrar and Share Transfer Agents:**Link Intime India Private Limited**

Unit: KBS India Limited
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West), Mumbai – 400 078
Tel. No.: 022-2596 3838
Fax No.: 022-2594 6969
Email : mumbai@linkintime.co.in

o) Address for investor correspondence:

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any address, non-receipt of dividend or any other query relating to shares, please write to:

For General Correspondence:**Link Intime India Private Limited**

Unit: KBS India Limited
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West), Mumbai – 400 078
Tel. No.: 022-2596 3838
Fax No.: 022-2594 6969
Email : mumbai@linkintime.co.in

Compliance Officer**Mr. Nehal Shah**

502, Commerce House,
140, Nagindas Master Road,
Fort, Mumbai – 400 001
Tel. No.: 022 – 2264 2670/74
Fax No.: 022 – 2264 2673
Email : investors@kbs.co.in

CEO's DECLARATION ON CODE OF CONDUCT

To,
The Members of
KBS INDIA LIMITED

I, Tushar Shah, Chairman & Managing Director of the Company declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct during the year 2014-15.

For KBS India Limited

Place : Mumbai
Date : : 27th November, 2015

Tushar Shah
Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The members of
KBS INDIA LIMITED

We have examined the Compliance of the conditions of Corporate Governance by **KBS INDIA LIMITED** for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said company with the BSE Limited. The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us and the representations made by management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor Grievances received, generally no investor grievances are pending for a period exceeding one month against the company as per records maintained by the Company in present.

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

For Manish Ghia & Associates
Company Secretaries

Place : Mumbai
Date : : 27th November, 2015

Manish L. Ghia
Partner
M No.: FCS 6252 C. P.No.: 3531

INDEPENDENT AUDITOR'S REPORT

To
The Shareholders of KBS India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of KBS India Limited, which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon 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 Bank as at 31st March, 2015;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of cash flows for the year ended on that date.

Report on Other Legal and Regulatory Matters

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b) In our opinion the company has kept proper books of account as required by the law have been kept by the Company so far as appears from our examinations of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from directors, as on 31st March 2015 and taken on the record by the Board of Directors, we report none of the Directors are disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of
Gopal Rao & Associates
Chartered Accountants
Firm Registration No. 127055W

N. G. Rao
(Proprietor)
Membership No. 33665

Place: Mumbai
Date: 22nd May 2015

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of Even Date)

1. a. The Company has maintained proper record showing particulars, including quantitative details and situation of fixed assets.
b. As explained to us Fixed Assets according to the practice of the company are physically verified by the management at reasonable intervals, which in our opinion, is reasonable, looking to the size of the company and the nature of the business. No material discrepancies were noticed on such verification.
2. a. The Company is a stock broking company and has its inventory in shares. As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
b. In our opinion and according to the explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c. On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical inventory and the book records were not material and have been properly dealt with in the books of account.
3. In respect of the loans secured or unsecured, granted or taken by the company to/from companies, firms of other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
 - a. The company has given loan to its subsidiary. In respect of the said loan, the maximum amount outstanding as on 31/03/2015 is Rs. 13,77,93,715/-.
 - b. In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of the loan given by the Company, are not prejudicial to the interest of the Company.
 - c. The principal amounts are repayable on demand and there is no repayment schedule. The interest is payable on demand.
 - d. In respect of the said loans, the same are repayable and therefore the question of overdue amounts does not arise. In respect of the interest, there are no overdue amounts.
 - e. The company has not taken any loan during the year from companies, firms or other parties covered in the Register maintained under the Act.
4. In our opinion and according to the information and explanation given to us, generally there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchase of shares, fixed assets and for sale of the shares. Further, on the basis of our examinations of books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct this major weakness in the aforesaid internal control procedures.
5. According to the information and explanations provided by the management, we are of the opinion that, the transactions that need to be entered into the register maintained under the Act have been so entered.
6. The company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with.
7. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its

business.

8. The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act.
9. a) According to the records of the company examined by us, and as per the information and explanations given to us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including Income tax, Wealth tax, Service tax and other statutory dues with the appropriate authorities except TDS which includes minor delay in payments.
b) According to the information and explanations given to us and on the basis of examination of the documents and records, there are no disputed statutory dues, which are not been deposited with the appropriate authorities.
10. The Company has neither accumulated losses at the end of the financial year nor has it incurred cash losses during the year under report.
11. On the basis of the records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to bank.
12. As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. On the basis of the records examined by us and evaluation of the related internal controls, the Company has maintained proper records of the transactions and contracts in respect of dealings in shares and securities and other investment and timely entries have been made therein. The aforesaid securities have been held by the Company except to the extent of exemption granted under the Act.
14. According to information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institutions.
15. As explained to us, the Company has not raised any term loans during the year.
16. According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company and after placing reliance on the reasonable assumptions made by the Company, there are no funds raised on a short-term basis, which have been used for long-term investment, and vice versa.
17. According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during the year.

For and on behalf of
Gopal Rao & Associates
Chartered Accountants
Firm Registration No. 127055W

(N.G.Rao)
Proprietor
Membership.No. 33665

Place: Mumbai
Date: 22nd May 2015

BALANCE SHEET AS ON 31ST MARCH, 2015

Particulars	Note No.	As on 31 st March, 2015 Rs.	As on 31 st March, 2014 Rs.
I EQUITY & LIABILITES			
1. Shareholders' funds			
(a) Share capital	1	90,211,880	90,211,880
(b) Reserves and surplus	2	157,881,082	157,604,275
(c) Money received against share warrants		-	-
2. Share application money pending allotment			
3. Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
4. Current Liabilities			
(a) Short Term Borrowings	3	855,500	1,180,500
(b) Trade Payables	4	238,826	238,377
(c) Other Current Liabilities	4A	3,976,597	4,730,414
(d) Provisions	5	1,714,142	927,283
TOTAL		254,878,027	254,892,729
II ASSETS			
1. Non Current Assets			
a) Fixed Assets			
(i) Tangible			
Gross Block		16,309,564	17,100,046
Less: Depreciation		15,057,366	14,743,770
Less: Gain/Loss on sale of asset		-	23,603
Net Block		1,252,198	2,332,673
(ii) Intangible			
	6	19,601,000	19,601,000
b) Non Current Investment			
	7	3,243	3,243
c) Deferred Tax Assets(Net)			
		276,378	-
2. Current Assets			
(a) Current investments	8	8,706,417	8,696,817
(b) Inventories		-	-
(c) Trade receivables	9	27,667,670	38,367,562
(d) Cash and cash equivalents	10	6,469,615	2,007,938
(e) Short-term loans and advances	11	180,867,787	172,140,039
(f) Other current assets	12	10,033,719	11,743,457
		233,745,208	232,955,813
TOTAL		254,878,027	254,892,729

The notes referred to above form an integral part of the Balance Sheet.

As per our Audit Report of Even Date
FOR GOPAL RAO & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 127055W

For and on behalf of the Board of Directors

N. G. Rao
Proprietor
Membership No. 33665
Place : Mumbai
Date : 22nd May, 2015

Tushar Shah
Chairman & Managing Director

Ketan Shah
Director

Chandrakant Lodaya
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	Year Ended 31 st March, 2015 Rs.	Year Ended 31 st March, 2014 Rs.
INCOME			
Revenue From Operations	13	8,866,776	6,142,240
Other Income	14	14,285,315	20,890,876
Total Income		23,152,091	27,033,116
EXPENDITURE			
Administration Expenses	15	15,883,236	19,918,087
Employee Benefit Expenses	16	3,533,136	4,342,992
Finance Charges	17	1,077,927	941,500
Depreciation	6	1,123,475	403,433
Other Expenses	18	747,030	871,609
Total Expenditure		22,364,804	26,477,621
Profit / (Loss) before exceptional and extraordinary items and tax		787,287	555,495
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		787,287	555,495
Extraordinary items			
Profit / (Loss) before tax		787,287	555,495
Tax expense:			
Less: Provision for - Current Tax		786,859	209,487
- Deferred Tax		(276,378)	-
Profit / (Loss) after Taxation		276,806	346,008
Earning Per Share			
(a) Basic and Diluted			0.04
Balance Carried to Balance Sheet		276,806	346,008

The notes referred to above form an integral part of the Profit & Loss Account.

As per our Audit Report of Even Date
FOR GOPAL RAO & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No. 127055W

For and on behalf of the Board of Directors

N. G. Rao
 Proprietor
 Membership No. 33665
 Place : Mumbai
 Date : 22nd May, 2015

Tushar Shah
 Chairman & Managing Director

Ketan Shah
 Director

Chandrakant Lodaya
 Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Notes	31 st March, 2015 Rs.	31 st March, 2014 Rs.
Cash Flows from Operating Activities			
Net Profit Before Tax		787,287	555,495
Add: Depreciation and amortization	6	1,123,475	403,433
Less: Interest Income	14	(5,218,947)	(4,111,749)
Operating Profit before working capital Changes		(3,308,185)	(3,152,821)
Increase /(Decreases) in Short Term Borrowings	3	(325,000)	(745,000)
Increase /(Decreases) in Trade Payables	4	450	(986,343)
Increase /(Decreases) in Other Current Liabilities	4A	(753,818)	30,260
Increase /(Decreases) in Provisions 5	-	-	-
(Increase) /Decreases in Current Investment	8	(9,600)	-
(Increase) /Decreases in Trade Receivables	9	10,699,893	14,257,465
(Increase) /Decreases in Short Term Loans & Advances	11	(8,727,748)	(16,543,539)
(Increase) /Decreases in Other current Assets	12	1,709,738	(1,206,974)
Foreing Currency Translation gain/(loss)		-	-
Cash Flows from Operating Activities		(714,270)	(8,346,952)
Cash Flows from Investing Activities			
Interest received	14	5,218,947	4,111,749
Gain on Sale of Asset		-	23,603
Purchase of Fixed Assets	6	(43,000)	(179,071)
Cash Flows from Investing Activities		5,175,947	3,956,281
Cash Flows from Financing Activities		-	-
Net Increase / (Decrease) in Cash & Cash Equivalents		4,461,677	(4,390,671)
Cash & Cash Equivalents at beginning of the period		2,007,938	6,398,609
Cash & Cash Equivalents at end of the period		6,469,615	2,007,938

The notes referred to above form an integral part of the cash flow statement.

As per our Audit Report of Even Date
FOR GOPAL RAO & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No. 127055W

For and on behalf of the Board of Directors

N. G. Rao
 Proprietor
 Membership No. 33665
 Place : Mumbai
 Date : 22nd May, 2015

Tushar Shah
 Chairman & Managing Director

Ketan Shah
 Director

Chandrakant Lodaya
 Chief Financial Officer

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015 (Rs.)

PARTICULARS	As at 31 st March, 2015	As at 31 st March, 2014
NOTE - 1		
Share Capital		
<u>AUTHORISED</u>		
120,000,00 (2012-120,000,00) Equity Shares @ Rs. 10/- each	120,000,000	120,000,000
2,00,000 (2012-2,00,000) 0% Redeemable Preference Shares @ Rs. 100/- each	20,000,000	20,000,000
TOTAL	140,000,000	140,000,000
<u>ISSUED, SUBSCRIBED AND PAID UP</u>		
85,21,188 (2012- 85,21,188) Equity shares @ Rs. 10/- each fully paid up	85,211,880	85,211,880
(Out of the above Share Capital 23,00,000 Equity Shares of Rs. 10 each fully paid up has been issued to Foreign Depository as underlying shares against 11,50,000 GDRs)		
50,000 (2012- 50,000) 0% Redeemable Pref. Shares @ Rs. 100/- each	5,000,000	5,000,000
TOTAL	90,211,880	90,211,880

The reconciliation of the Closing amount and Opening amount of Share Capital is given as follows:

PARTICULARS	Opening Balance	Additions	Deductions	Closing Balance
Authorised Capital				
1,20,00,000 Equity Shares of Rs.10 Each	120,000,000	-	-	120,000,000
2,00,000 Preference Shares of Rs. 100 Each	20,000,000	-	-	20,000,000
Issued Share Capital				
85,21,188 Equity Shares of Rs.10 Each	85,211,880	-	-	85,211,880
50,000 Preference Shares of Rs. 100 Each	5,000,000	-	-	5,000,000
Subscribed and Fully Paid up Capital				
85,21,188 Equity Shares of Rs.10 Each	85,211,880	-	-	85,211,880
50,000 Preference Shares of Rs.100 Each	5,000,000	-	-	5,000,000
Calls Unpaid	-	-	-	-
Forfeited Shares	-	-	-	-
TOTAL	90,211,880	-	-	90,211,880

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015 (Rs.)

Details of shares held by each shareholder holding more than 5% shares:				
Class of shares / Name of shareholder	As on 31 st March, 2015		As on 31 st March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Tushar Suresh Shah	2209688	25.93	2209688	25.93
Ketan Babulal Shah	900000	10.56	900000	10.56
Yogesh Chandawalla	893492	10.49	890000	10.56
Madhu Suresh Shah	881220	10.34	881220	10.34
Equity shares without voting rights				
The Bank of New York Mellon	2300000	26.99	2300000	26.99
TOTAL	7184400	84.31	7190908	84.38
0% Redeemable Preference Shares				
M/s Rivoli	50000	100	50000	100

(Rs.)

Particulars	As at	
	31 st March, 2015	31 st March, 2014
NOTE - 2 Reserves & Surplus		
Share Premium Account	112,689,850.00	112,689,850.00
Capital Reserve	936,569.26	936,569.26
General Reserve	5,000,000.00	5,000,000.00
Profit & Loss Account		
Opening Balance:	38,977,856	
Add : Foreign Currency Translation Res.	-	
Add : Profit During the year	<u>276,806</u>	
	39,254,662.28	38,977,855.85
TOTAL	157,881,081.54	157,604,275.11
NOTE - 3 Short Term Borrowings		
Loans repayable on demand		
From Individuals / Firms	855,500.00	1,180,500.00
From Companies		-
TOTAL	855,500.00	1,180,500.00
NOTE - 4 Trade Payable		
Trade Payable	238,826.47	238,376.74
TOTAL	238,826.47	238,376.74
NOTE - 4A Other Current Liabilities		
Other Current Liabilities	3,976,596.54	4,730,414.36
TOTAL	3,976,596.54	4,730,414.36
NOTE - 5 Provisions		
Provision For Tax	1,714,142.00	927,283.00
TOTAL	1,714,142.00	927,283.00

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015

ASSETS	FIXED ASSETS										(Rs.)	
	GROSS BLOCK			DEPRECIATION			NET BLOCK					
	COST AS AT 01.04.2014	ADDITIONS / (DEDUCTION) DURING THE YEAR	COST AS AT 31.03.2015	BALANCE AS ON 01.04.2014	RATE OF DEP %	DURING THE YEAR	BALANCE AS ON 31.03.2015	AS AT 31.03.2015	AS AT 31.03.2014			
TANGIBLE ASSETS												
COMPUTER	8,190,134	-	8,190,134	6,965,931	63.16	773,207	7,739,138	450,996		1,224,203		
WEBSITE	4,258,303	-	4,258,303	3,699,999	31.23	174,358	3,874,357	383,946		558,304		
MOTOR CAR (EL-6562)	876,276	-	876,276	824,833	31.23	16,066	840,899	35,377		51,443		
AIR CONDITIONER	691,567	43,000.00	734,567	559,360	25.89	40,206	599,566	135,001		132,207		
OFFICE EQUIPMENT	835,883	-	835,883	706,855	45.07	58,153	765,008	70,875		129,028		
FURNITURE & FIXTURES	1,414,401	-	1,414,401	1,176,913	25.89	61,486	1,238,399	176,002		237,488		
TOTAL (A)	16,266,564	43,000	16,309,564	13,933,891	-	1,123,475	15,057,366	1,252,198		2,332,673		
INTANGIBLE ASSETS												
BSE STOCK EXCHANGE MEMBERSHIP CARD	10,000,000	0	10,000,000	0	0	0	0	10,000,000		10,000,000		
NSE CARD DEPOSIT	7,650,000	0	7,650,000	0	0	0	0	7,650,000		7,650,000		
VSE CARD	1,951,000	0	1,951,000	0	0	0	0	1,951,000		1,951,000		
TOTAL (B)	19,601,000	0	19,601,000	0	0	0	0	19,601,000		19,601,000		
TOTAL (A + B)	35,867,564	43,000	35,910,564	13,933,891	0	1,123,475	15,057,366	20,853,198		21,933,673		
Tangible Assets	16,712,261	69,700	16,781,961	13,374,530	-	515,288	13,889,818	2,892,143		3,337,731		
Intangible Assets	20,101,000	-500,000	19,601,000	0	-	0	0	19,601,000		20,101,000		
Total	36,813,261	-430,300	36,382,961	13,374,530	-	515,288	13,889,818	22,493,143		23,438,731		

NOTE : 1. Figures shown below total are of previous year.

2. Depreciation is calculated at the rates specified in Schedule XIV of Companies Act. 1956 based on W.D.V. method.

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015 (Rs.)

	As at 31 st March, 2015	As at 31 st March, 2014
NOTE - 7 Non Current Investments		
In Subsidiary companies		
2(2011-12)Equity Share of US \$ 1=Rs.46.35 each KBS Capital Management (Singapore)Pte	92.70	93.00
50 Shares of Jaihind Co-op Bank	3,150.00	3,150.00
TOTAL	3,242.70	3,243.00
NOTE - 8 Current Investment		
Other Investments (Valued at cost) Secured Considered Good	8,266,337.00	8,266,337.00
Share Stock (Deposit With BSE)	398,750.00	398,750.00
Share Stock (Own Trading)	41,330.00	31,730.00
TOTAL	8,706,417.00	8,696,817.00
NOTE - 9 Trade Receivable		
Amount Outstanding for a period exceeding six months Unsecured , Considered Good	27,667,669.78	38,367,562.34
Others Unsecured , Considered Good		
TOTAL	27,667,669.78	38,367,562.34
NOTE - 10 Cash and Bank Balances		
Cash Balance	886,311.15	362,557.15
Bank Balances	4,683,304.31	145,380.53
Other - Fixed Deposits	900,000.00	1,500,000.00
TOTAL	6,469,615.46	2,007,937.68
NOTE - 11 Short Term Loans & Advances		
Short Term Loans & Advances Other Secured Considered Good	42,952,790.00	42,728,973.00
Short Term Loans & Advances To Relatives Secured Considered Good	137,914,996.95	129,411,066.00
TOTAL	180,867,786.95	172,140,039.00
NOTE - 12 Other Current Assets		
Other Current Assets	10,033,718.83	11,743,457.36
TOTAL	10,033,718.83	11,743,457.36

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015 (Rs.)

	As at 31 st March, 2015	As at 31 st March, 2014
NOTE - 13 Revenue From Operation		
Brokerage Income	8,976,549.85	6,549,538.80
Income / (Loss) on Share Trading	(109,773.54)	(407,298.60)
Advisory Fees		-
TOTAL	8,866,776.31	6,142,240.20
NOTE - 14 Other Income		
Interest Income	5,218,947.11	4,111,749.13
Other Income	9,066,368.00	16,779,126.97
TOTAL	14,285,315.11	20,890,876.10
NOTE - 15 Administrative Expenses		
Administrative Expenses	15,883,236.14	19,918,087.16
TOTAL	15,883,236.14	19,918,087.16
NOTE - 16 Payments to Employees		
Salaries & Bonus	1,414,606.00	1,983,215.00
Employees E.S.I.C.A/c	28,723.00	78,960.00
Leave Encashment	254,714.00	326,677.00
Director' s Meeting Fees	44,944.00	35,956.00
Director's Remuneration	1,200,000.00	1,200,000.00
Labour Welfare Fund charges	659.00	-
Staff Welfare	-	312.00
Telephone Allowance	72,000.00	-
Medical Allowance	45,000.00	75,000.00
Conveyance Allowance	28,800.00	48,249.00
Education Allowance	7,200.00	12,000.00
HRA	303,490.00	524,123.00
Meal Coupons	79,500.00	58,500.00
Gratuity	53,500.00	-
TOTAL	3,533,136.00	4,342,992.00
NOTE - 17 Finance Charges		
Bank Charges & Commission	62,597.06	85,730.31
Bank Interest	890,955.00	740,553.00
First Blue Loan Installment	94,654.00	-
Other Interest	29,721.00	115,217.00
Finance Cost	-	-
TOTAL	1,077,927.06	941,500.31
NOTE - 18 Other Expenses		
Other Expenses	747,029.62	871,608.98
TOTAL	747,029.62	871,608.98

1. SIGNIFICANT ACCOUNTING POLICIES:**i. ACCOUNTING CONCEPTS:**

The Company follows the Mercantile System of Accounting and recognises Income and Expenditure on Accrual Basis. The Accounts are prepared on historical cost basis as a going concern. Accounting policies not referred to otherwise are consistent with Generally Accepted Accounting Principles.

ii. FIXED ASSETS:

Fixed Assets are stated at cost less depreciation.

iii. DEPRECIATION:

Depreciation on Fixed Assets is charged in the account on written down value method at the rates specified in the new Companies Act, 2013.

iv. INVESTMENTS:

Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is not made as there is no decline in the value of the investments.

v. INVENTORIES:

Shares that are deposited with Bombay Stock Exchange and Share stock (Own Trading) are valued at Cost.

vi. BROKERAGE EARNED:

Brokerage earned is accounted on the basis of transaction done during the accounting year irrespective of whether the same are settled during the year or not. Brokerage earned is shown as net i.e. after deduction of Brokerage paid.

vii. RETIREMENT BENEFITS:

No provision for future liabilities made in respect of gratuity, leave encashment, etc.

2. Balances of Sundry Debtors, Sundry Creditors and payables, deposits, loans & advances given or taken from the parties, are subject to confirmation.
3. As Company being share and stock broking and Investment Company additional information as required under part II of Schedule – VI of Companies Act, 2013, is irrelevant and not applicable.
4. Number of Employees of the Company in respect of or entitled to receive Emolument in the aggregate of Rs. 12,00,000/- or more per annum or Rs. 1,00,000/- or more per month employed for part of the year: ONE
5. As there is no remuneration paid in excess of the minimum limit as specified under section 349 of the Companies Act, 1956 to the Managerial Persons, calculation of net profit under the said section 349 is not required.

6. Details of Auditors Remuneration (inclusive of Service Tax):

	Current Year	Previous Year
Audit Fees	40,000/-	40,000/-
Tax Audit Fees	10,000/-	10,000/-
Certification Charges	20,000/-	20,000/-
Income Tax Consultancy Charges	10,000/-	10,000/-
	<u>80,000/-</u>	<u>80,000/-</u>

7. DEFERRED TAX LIABILITY/(ASSETS):

As per AS 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the net deferred tax liability/asset provided in the books of account as under:

As on 31st March 2015, the Depreciation as per Companies Act, 2013	Rs. 11,23,475/-
As on 31st March 2015, the Depreciation as per Income Tax Act, 1961	<u>Rs. 2,02,215/-</u>
Current year Timing Difference	<u>Rs. 9,21,260/-</u>
Deferred Tax Asset not recognized @ 30 % on Rs.9,21,260/-	<u>Rs.2,76,378/-</u>

8. As required by AS 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India, the Earning Per Share (EPS) is calculated by dividing the profit attributable to the equity share holders by the average number of equity shares outstanding during the year and is ascertained as follows:

PARTICULARS	F.Y.2014-15	F.Y.2013-14
Profit/(Loss) available to the Equity Shareholders	Rs.2,76,806/-	Rs.3,46,008/-
Weighted average No. of equity share for Basic EPS	85,21,188	85,21,188
Nominal Value of equity shares	Rs. 10	Rs. 10
Earning Per Share (Basic/ Diluted)	Rs.0.03	Rs.0.04

9. CONTINGENT LIABILITY NOT ASCERTAINED:

In the opinion of management there are no contingent liabilities for the year.

10. In the opinion of the management, Current Assets, Deposits, Loans and advances have value equal to the amounts shown in the Balance Sheet. The provision for depreciation and all the liabilities is not in excess of the amount reasonably necessary.
11. The foreign currency rate fluctuation balance as on 31/03/2015 of Rs. 53,56,593/- is credited to the Profit & Loss Account in accordance with AS 11(Revised) The Effects of Changes in Foreign Exchange Rates.
12. During the year The Company has debited to Profit and Loss A/c. as Bad debts of Rs. 1,07,00,000/-.
13. During the year, the company has made payments of ESIC for the period April – June 2014.
14. Service tax liability for the year is still partly unpaid.
15. Rate of Interest on ICD given to Supama Financial Services, RSM Exim and Oasis Heights Developers LLP is charged @ 12% P.A.
16. In the opinion of the management, the following Debtors shown in the Balance sheet are consider more than six months:

(Rs. In Thousand)

Sr No.	Name of Debtors	Balance as on 31 st March, 2015
1.	Shrim Capital Management	2,76,67,562/-
	Total Amount	2,76,67,562/-

17. As per Accounting Standard (AS) 18, 'Related Party Disclosures' prescribed under the Accounting Standard Rules, the disclosures of the details of the related parties and the transactions entered with them are given below:

I - List of Related Parties

Sr No.	Nature	Name of the person
1	Key Management Personnel	Tushar Suresh Shah
2	Key Management Personnel	Ketan Babulal Shah
3	Relatives of KMP	Namita T Shah
4	Relatives of KMP	Tanay T Shah
5	Relatives of KMP	Rajeshri Ketan shah
6	Relatives of KMP	Ketan Babulal Shah HUF
7	Relatives of KMP	Tushar Suresh Shah HUF
8	Relatives of KMP	Madhu Suresh Shah
9	Others (Independent Director)	Mr VinodKumar G Bapna
10	Others (Independent Director)	Mr Nilesh Dharia

II - List of Transactions entered with them

Sr. No	Nature of Transactions	Subsidiary		Key Management Personnel (KMP)		Relatives of KMP		Total	
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
1	Remuneration Paid	-	-	1,200.00	1,200.00	-	-	1,200.00	1,200.00
2	Director Meeting Fees	-	-	44.94	35.95	-	-	44.94	35.95
3	Interest Received	3,702.76	3,474.26					3,702.76	3,474.26
4	Loan Repaid by -	-	-					-	-
5	Brokerage Received	-	-	200.30	8.07	132.68	46.88	332.98	54.95
6	Salary -	-	-	-	-	120.00/-	-	120.00/-	-
7	Sundry Payable -	-	-	-	-	-	-	-	-
	Outstanding Liabilities								
1	Loan given to	1,37,915	12,94,11.07	-	-	-	-	1,37,915	1,29,411.07

18. Segment Reporting

The Company is engaged in two business segments, one is to provide brokerage services to its clients in the capital markets within India from which revenue is Rs. 89,76,550/- and other is trading of shares from which loss is Rs.(1,09,774/-)

19. Principal of Consolidation:

- The consolidated financial statements relate to KBS India Limited, the holding company and its foreign subsidiary. The consolidation of accounts of the company with its subsidiary has been prepared in accordance with the Accounting Standard (AS) 21 'Consolidated financial Statements' taking into considerations the stipulations mentioned in Accounting Standard (AS) 11 'The Effects of Changes in Foreign Exchange Rates'. The financial statements of the parent and its Foreign Subsidiary are combined on a line by line basis and intra group balances, intra group transactions and unrealized profits or losses are fully eliminated.
- Foreign Currency Translation Gain of Rs. 53,56,593/- is been added to the Profit & Loss Account.
- As it is a 100% Foreign Subsidiary the Minority Interest is NIL

20. Previous year's figures have been regrouped wherever necessary to confirm the classification adopted in the current year.

FOR GOPAL RAO & ASSOCIATES
CHARTERED ACCOUNTANTS

Firm Registration No. 127055W

N. G. Rao

Proprietor

Membership No. 33665

Place : Mumbai, Date : 22nd May, 2015

For and on behalf of the Board of Directors

Tushar Shah
Chairman & Managing Director

Ketan Shah
Director

Chandrakant Lodaya
Chief Financial Officer

Consolidated Balance Sheet

INDEPENDENT AUDITOR'S REPORT

To
The Shareholders of KBS India Limited

Report on the Financial Statements

We have audited the accompanying Consolidated financial statements of KBS India Limited, and its subsidiary which comprise the Consolidated Balance Sheet as at 31st March 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon 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 consolidated Balance Sheet, of the state of affairs of the Bank as at 31st March, 2015;
- (ii) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated Cash Flow Statement, of cash flows for the year ended on that date.

Report on Other Legal and Regulatory Matters

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b) In our opinion the company has kept proper books of account as required by the law have been kept by the Company so far as appears from our examinations of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from directors, as on 31st March 2015 and taken on the record by the Board of Directors, we report none of the Directors are disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of
Gopal Rao & Associates
Chartered Accountants
Firm Registration No. 127055W

N. G. Rao
(Proprietor)
Membership No. 33665

Place: Mumbai
Date: 27th November, 2015

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH, 2015

Particulars	Note No.	As on 31 st March, 2015 Rs.	As on 31 st March, 2014 Rs.
I EQUITY & LIABILITES			
1. Shareholders' funds			
(a) Share capital	1	90,211,880	90,211,880
(b) Reserves and surplus	2	160,641,492	159,949,658
(c) Money received against share warrants		-	-
2. Share application money pending allotment			
3. Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
4. Current Liabilities			
(a) Short Term Borrowings	3	855,500	1,180,500
(b) Trade Payables	4	238,826	238,377
(c) Other Current Liabilities	4A	7,253,997	7,072,511
(d) Provisions	5	1,746,501	973,260
TOTAL		260,948,196	259,626,186
II ASSETS			
1. Non Current Assets			
a) Fixed Assets			
(i) Tangible			
Gross Block		16,309,564	16,266,564
Less: Depreciation		15,057,366	13,933,891
Less: Gain/Loss on sale of asset		-	-
Net Block		1,252,198	2,332,673
(ii) Intangible			
	6	19,601,000	19,601,000
b) Non Current Investment			
	7	3,243	3,243
c) Deferred Tax Assets(Net)			
		276,378	-
2. Current Assets			
(a) Current investments	8	8,706,417	8,696,817
(b) Inventories		-	-
(c) Trade receivables	9	27,667,670	38,367,562
(d) Cash and cash equivalents	10	6,517,559	2,021,640
(e) Short-term loans and advances	11	186,890,012	176,859,792
(f) Other current assets	12	10,033,719	11,743,457
TOTAL		260,948,195	259,626,186

The notes referred to above form an integral part of the Balance Sheet.

As per our Audit Report of Even Date

For and on behalf of the Board of Directors

FOR GOPAL RAO & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. 127055W

N. G. Rao

Proprietor

Membership No. 33665

Place : Mumbai

Date : 27th November, 2015

Tushar Shah
Chairman & Managing Director

Ketan Shah
Director

Chandrakant Lodaya
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	Note No.	Year Ended 31 st March, 2015 Rs.	Year Ended 31 st March, 2014 Rs.
INCOME			
Revenue From Operations	13	8,866,776	6,142,240
Other Income	14	18,597,140	25,032,307
Total Income		27,463,917	31,174,547
EXPENDITURE			
Administration Expenses	15	16,171,275	20,333,018
Employee Benefit Expenses	16	3,407,636	4,342,992
Finance Charges	17	4,780,689	4,415,761
Depreciation	6	1,123,475	403,433
Other Expenses	18	747,030	871,609
Total Expenditure		26,230,104	30,366,813
Profit / (Loss) before exceptional and extraordinary items and tax		1,233,812	807,735
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		1,233,812	807,735
Extraordinary items			
Profit / (Loss) before tax		1,233,812	807,735
Tax expense:			
Less: Provision for - Current Tax		795,121	220,185
- Deferred Tax			
Profit / (Loss) after Taxation		438,691	587,550
Earning Per Share (a) Basic and Diluted			
Balance Carried to Balance Sheet		438,691	587,550

The notes referred to above form an integral part of the Profit & Loss Account.

As per our Audit Report of Even Date
FOR GOPAL RAO & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No. 127055W

For and on behalf of the Board of Directors

N. G. Rao
 Proprietor
 Membership No. 33665
 Place : Mumbai
 Date : 27th November, 2015

Tushar Shah
 Chairman & Managing Director

Ketan Shah
 Director

Chandrakant Lodaya
 Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	Notes	31 st March, 2015 Rs.	31 st March, 2014 Rs.
Cash Flows from Operating Activities			
Net Profit Before Tax		1,108,312	807,735
Adjustment for Interest Expenditure		3,702,762	3,474,261
Adjustment for Interest Income		(4,311,825)	(4,141,431)
Add: Depreciation and amortization	6	1,123,475	403,433
Less: Interest Income	14	(5,218,947)	(4,111,749)
Operating Profit before working capital Changes		(3,596,223)	(3,567,751)
Increase /(Decreases) in Short Term Borrowings	3	(325,000)	(745,000)
Increase /(Decreases) in Trade Payables	4	449	(986,343)
Increase /(Decreases) in Other Current Liabilities	4A	84,450	927,914
Increase /(Decreases) in Provisions	5	786,859	-
(Increase) /Decreases in Current Investment	8	(9,600)	-
(Increase) /Decreases in Trade Receivables	9	10,699,893	14,257,465
(Increase) /Decreases in Short Term Loans & Advances	11	(9,600,607)	(16,543,539)
(Increase) /Decreases in Other current Assets	12	1,709,739	(1,206,974)
Foreing Currency Translation gain/(loss)			-
Income Tax paid		(23,784)	
Cash Flows from Operating Activities		(273,825)	(7,864,229)
Cash Flows from Investing Activities			
Cash Flows from Investing Activities			
Interest received	14	5,218,947	4,111,749
Gain on Sale of Asset		-	23,603
Purchase of Fixed Assets	6	43,000	(179,071)
Cash Flows from Investing Activities		5,261,947	3,956,281
Cash Flows from Financing Activities			
Cash Flows from Financing Activities		(492,771)	(521,187)
Net Increase / (Decrease) in Cash & Cash Equivalents		4,495,351	(4,429,135)
Cash & Cash Equivalents at beginning of the period		2,022,209	6,450,776
Cash & Cash Equivalents at end of the period		6,517,559	2,021,641

The notes referred to above form an integral part of the cash flow statement.

As per our Audit Report of Even Date
FOR GOPAL RAO & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No. 127055W

For and on behalf of the Board of Directors

N. G. Rao
 Proprietor
 Membership No. 33665
 Place : Mumbai
 Date : 27th November, 2015

Tushar Shah
 Chairman & Managing Director

Ketan Shah
 Director

Chandrakant Lodaya
 Chief Financial Officer

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015 (Rs.)

PARTICULARS	As at 31 st March, 2015	As at 31 st March, 2014
NOTE - 1		
Share Capital		
<u>AUTHORISED</u>		
120,000,00 (2014-120,000,00) Equity Shares @ Rs.10/- each	120,000,000	120,000,000
2,00,000 (2014-2,00,000) 0% Redeemable Preference Shares @ Rs. 100/- each	20,000,000	20,000,000
TOTAL	140,000,000	140,000,000
<u>ISSUED, SUBSCRIBED AND PAID UP</u>		
85,21,188 (2014- 85,21,188) Equity shares @ Rs. 10/- each fully paid up	85,211,880	85,211,880
(Out of the above Share Capital 23,00,000 Equity Shares of Rs. 10 each fully paid up has been issued to Foreign Depository as underlying shares against 11,50,000 GDRs)		
50,000 (2014- 50,000) 0% Redeemable Pref. Shares @ Rs. 100/- each	5,000,000	5,000,000
TOTAL	90,211,880	90,211,880

The reconciliation of the Closing amount and Opening amount of Share Capital is given as follows:

PARTICULARS	Opening Balance	Additions	Deductions	Closing Balance
Authorised Capital				
1,20,00,000 Equity Shares of Rs. 10 Each	120,000,000	-	-	120,000,000
2,00,000 Preference Shares of Rs. 100 Each	20,000,000	-	-	20,000,000
Issued Share Capital				
85,21,188 Equity Shares of Rs. 10 Each	85,211,880	-	-	85,211,880
50,000 Preference Shares of Rs. 100 Each	5,000,000	-	-	5,000,000
Subscribed and Fully Paid up Capital				
85,21,188 Equity Shares of Rs.10 Each	85,211,880	-	-	85,211,880
50,000 Preference Shares of Rs. 100 Each	5,000,000	-	-	5,000,000
Calls Unpaid	-	-	-	-
Forfeited Shares	-	-	-	-
TOTAL	90,211,880	-	-	90,211,880

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015 (Rs.)

Details of shares held by each shareholder holding more than 5% shares:				
Class of shares / Name of shareholder	As on 31 st March, 2015		As on 31 st March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Tushar Suresh Shah	2209688	25.93	2209688	25.93
Ketan Babulal Shah	900000	10.56	900000	10.56
Yogesh Chandawalla	893492	10.49	890000	10.56
Madhu Suresh Shah	881220	10.34	881220	10.34
Equity shares without voting rights				
The Bank of New York Mellon	2300000	26.99	2300000	26.99
TOTAL	7184400	84.31	7190908	84.38
0% Redeemable Preference Shares				
M/s Rivoli	50000	100	50000	100

(Rs.)

Particulars	As at	
	31 st March, 2015	31 st March, 2014
NOTE - 2 Reserves & Surplus		
Share Premium Account	112,689,850	112,689,850
Capital Reserve	936,569	936,569
General Reserve	5,000,000	5,000,000
Profit & Loss Account		
Opening Balance:	38,977,856	
Add : Foreign Currency Translation Res.	-	
Add : Profit During the year	<u>276,807</u>	
	42,015,072	41,323,239
TOTAL	160,641,492	159,949,658
NOTE - 3 Short Term Borrowings		
Loans repayable on demand		
From Individuals / Firms	855,500	1,180,500
From Holding Company	-	-
TOTAL	855,500	1,180,500
NOTE - 4 Trade Payable		
Trade Payable	238,826	238,377
TOTAL	238,826	238,377
NOTE - 4A Other Current Liabilities		
Other Current Liabilities	7,253,997	7,072,511
TOTAL	7,253,997	7,072,511
NOTE - 5 Provisions		
Provision For Tax	1,746,501	973,260
TOTAL	1,746,501	973,260

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015

NOTE - 6 (Rs.)

ASSETS	GROSS BLOCK		DEPRECIATION			NET BLOCK			
	COST AS AT 01.04.2014	ADDITIONS / (DEDUCTION) DURING THE YEAR	COST AS AT 31.03.2015	BALANCE AS ON 01.04.2014	RATE OF DEP %	DURING THE YEAR	BALANCE AS ON 31.03.2015	AS AT 31.03.2015	AS AT 31.03.2014
TANGIBLE ASSETS									
COMPUTER	8,190,134	-	8,190,134	6,965,931	63.16	773,207	7,739,138	450,996	1,224,203
WEBSITE	4,258,303	-	4,258,303	3,699,999	31.23	174,358	3,874,357	383,946	558,304
MOTOR CAR (EL-6562)	876,276	-	876,276	824,833	31.23	16,066	840,899	35,377	51,443
AIR CONDITIONER	691,567	43,000.00	734,567	559,360	25.89	40,206	599,566	135,001	132,207
OFFICE EQUIPMENT	835,883	-	835,883	706,855	45.07	58,153	765,008	70,875	129,028
FURNITURE & FIXTURES	1,414,401	-	1,414,401	1,176,913	25.89	61,486	1,238,399	176,002	237,488
TOTAL (A)	16,266,564	43,000	16,309,564	13,933,891	-	1,123,475	15,057,366	1,252,198	2,332,673
INTANGIBLE ASSETS									
BSE STOCK EXCHANGE MEMBERSHIP CARD	10,000,000	0	10,000,000	0	0	0	0	10,000,000	10,000,000
NSE CARD DEPOSIT	7,650,000	0	7,650,000	0	0	0	0	7,650,000	7,650,000
VSE CARD	1,951,000	0	1,951,000	0	0	0	0	1,951,000	1,951,000
TOTAL (B)	19,601,000	0	19,601,000	0	0	0	0	19,601,000	19,601,000
TOTAL (A + B)	35,867,564	43,000	35,910,564	13,933,891	0	1,123,475	15,057,366	20,853,198	21,933,673
Tangible Assets	16,712,261	69,700	16,781,961	13,374,530	-	515,288	13,889,818	2,892,143	3,337,731
Intangible Assets	20,101,000	-500,000	19,601,000	0	-	0	0	19,601,000	20,101,000
Total	36,813,261	-430,300	36,382,961	13,374,530	-	515,288	13,889,818	22,493,143	23,438,731

NOTE : 1. Figures shown below total are of previous year.

2. Depreciation is calculated at the rates specified in Schedule XIV of Companies Act. 1956 based on W.D.V. method.

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015 (Rs.)

	As at 31 st March, 2015	As at 31 st March, 2014
NOTE - 7 Non Current Investments		
In Subsidiary companies		
KBS Capital Management (Singapore)Pte	93	93
50 Shares of Jaihind Co-op Bank	3,150	3,150
TOTAL	3,243	3,243
NOTE - 8 Current Investment		
Other Investments (Valued at cost) Secured Considered Good	8,266,337	8,266,337
Share Stock (Deposit With BSE)	398,750	398,750
Share Stock (Own Trading)	41,330	31,730
TOTAL	8,706,417	8,696,817
NOTE - 9 Trade Receivable		
Amount Outstanding for a period exceeding six months Unsecured , Considered Good	27,667,670	38,367,562
Others Unsecured , Considered Good	-	-
TOTAL	27,667,670	38,367,562
NOTE - 10 Cash and Bank Balances		
Cash Balance	886,311	362,557
Bank Balances	4,731,248	159,083
Other - Fixed Deposits	900,000	1,500,000
TOTAL	6,517,559	2,021,640
NOTE - 11 Short Term Loans & Advances		
Short Term Loans & Advances Other Secured Considered Good	186,890,012	176,859,792
Short Term Loans & Advances To Relatives Secured Considered Good	-	-
TOTAL	186,890,012	176,859,792
NOTE - 12 Other Current Assets		
Other Current Assets	10,033,719	11,743,457
TOTAL	10,033,719	11,743,457

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015 (Rs.)

	As at 31 st March, 2015	As at 31 st March, 2014
NOTE - 13 Revenue From Operation		
Brokerage Income	8,976,550	6,549,539
Income / (Loss) on Share Trading	(109,774)	(407,299)
Advisory Fees	-	-
TOTAL	8,866,776	6,142,240
NOTE - 14 Other Income		
Interest Income	9,530,772	8,253,180
Other Income	9,066,368	16,779,127
TOTAL	18,597,140	25,032,307
NOTE - 15 Administrative Expenses		
Administrative Expenses	16,171,275	20,333,018
TOTAL	16,171,275	20,333,018
NOTE - 16 Payments to Employees		
Salaries & Bonus	1,414,606	1,983,215
Employees E.S.I.C.A/c	28,723	78,960
Leave Encashment	254,714	326,677
Director' s Meeting Fees	44,944	35,956
Director's Remuneration	1,200,000	1,200,000
Labour Welfare Fund charges	659	-
Staff Welfare	-	312
Telephone Allowance		
Medical Allowance	45,000	75,000
Conveyance Allowance	28,800	48,249
Education Allowance	7,200	12,000
HRA	303,490	524,123
Meal Coupons	79,500	58,500
Gratuity		
TOTAL	3,407,636	4,342,992
NOTE - 17 Finance Charges		
Bank Charges & Commission	62,597	85,730
Bank Interest	890,955	740,553
Other Interest	29,721	115,217
Finance Cost	3,702,762	3,474,261
First Blue Loan Installment	94,654	-
TOTAL	4,780,689	4,415,761
NOTE - 18 Other Expenses		
Other Expenses	747,030	871,609
TOTAL	747,030	871,609

1. SIGNIFICANT ACCOUNTING POLICIES:**i. ACCOUNTING CONCEPTS:**

The Company follows the Mercantile System of Accounting and recognises Income and Expenditure on Accrual Basis. The Accounts are prepared on historical cost basis as a going concern. Accounting policies not referred to otherwise are consistent with Generally Accepted Accounting Principles.

ii. FIXED ASSETS:

Fixed Assets are stated at cost less depreciation.

iii. DEPRECIATION:

Depreciation on Fixed Assets is charged in the account on written down value method at the rates specified in the new Companies Act, 2013.

iv. INVESTMENTS:

Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is not made as there is no decline in the value of the investments.

v. INVENTORIES:

Shares that are deposited with Bombay Stock Exchange and Share stock (Own Trading) are valued at Cost.

vi. BROKERAGE EARNED:

Brokerage earned is accounted on the basis of transaction done during the accounting year irrespective of whether the same are settled during the year or not. Brokerage earned is shown as net i.e. after deduction of Brokerage paid.

vii. RETIREMENT BENEFITS:

No provision for future liabilities made in respect of gratuity, leave encashment, etc.

2. Balances of Sundry Debtors, Sundry Creditors and payables, deposits, loans & advances given or taken from the parties, are subject to confirmation.

3. As Company being share and stock broking and Investment Company additional information as required under part II of Schedule – VI of Companies Act, 2013, is irrelevant and not applicable.

4. Number of Employees of the Company in respect of or entitled to receive Emolument in the aggregate of Rs. 12, 00,000/- or more per annum or Rs. 1,00,000/- or more per month employed for part of the year: ONE

5. As there is no remuneration paid in excess of the minimum limit as specified under section 349 of the Companies Act, 1956 to the Managerial Persons, calculation of net profit under the said section 349 is not required.

6. Details of Auditors Remuneration (inclusive of Service Tax):

	Current Year	Previous Year
Audit Fees	40,000/-	40,000/-
Tax Audit Fees	10,000/-	10,000/-
Certification Charges	20,000/-	20,000/-
Income Tax Consultancy Charges	10,000/-	10,000/-
	<u>80,000/-</u>	<u>80,000/-</u>

7. DEFERRED TAX LIABILITY/(ASSETS):

As per AS 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the net deferred tax liability/asset provided in the books of account as under:

As on 31st March 2015, the Depreciation as per Companies Act, 2013	Rs. 11,23,475/-
As on 31st March 2015, the Depreciation as per Income Tax Act, 1961	<u>Rs. 2,02,215/-</u>
Current year Timing Difference	<u>Rs. 9,21,260/-</u>
Deferred Tax Asset not recognized @ 30 % on Rs.9,21,260/-	<u>Rs.2,76,378/-</u>

8. As required by AS 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India, the Earning Per Share (EPS) is calculated by dividing the profit attributable to the equity share holders by the average number of equity shares outstanding during the year and is ascertained as follows:

PARTICULARS	F.Y.2014-15	F.Y.2013-14
Profit/(Loss) available to the Equity Shareholders	Rs.2,76,806/-	Rs.3,46,008/-
Weighted average No. of equity share for Basic EPS	85,21,188	85,21,188
Nominal Value of equity shares	Rs. 10	Rs. 10
Earning Per Share (Basic/ Diluted)	Rs.0.03	Rs.0.04

9. CONTINGENT LIABILITY NOT ASCERTAINED:

In the opinion of management there are no contingent liabilities for the year.

10. In the opinion of the management, Current Assets, Deposits, Loans and advances have value equal to the amounts shown in the Balance Sheet. The provision for depreciation and all the liabilities is not in excess of the amount reasonably necessary.
11. The foreign currency rate fluctuation balance as on 31/03/2015 of Rs. 53,56,593/- is credited to the Profit & Loss Account in accordance with AS 11(Revised) The Effects of Changes in Foreign Exchange Rates.
12. During the year The Company has debited to Profit and Loss A/c. as Bad debts of Rs. 1,07,00,000/-.
13. During the year, the company has made payments of ESIC for the period April – June 2014.
14. Service tax liability for the year is still partly unpaid.
15. Rate of Interest on ICD given to Supama Financial Services, RSM Exim and Oasis Heights Developers LLP is charged @ 12% P.A.
16. In the opinion of the management, the following Debtors shown in the Balance sheet are consider more than six months:

(Rs. In Thousand)

Sr No.	Name of Debtors	Balance as on 31 st March, 2015
1.	Shrim Capital Management	2,76,67,562/-
	Total Amount	2,76,67,562/-

17. As per Accounting Standard (AS) 18, 'Related Party Disclosures' prescribed under the Accounting Standard Rules, the disclosures of the details of the related parties and the transactions entered with them are given below:

I - List of Related Parties

Sr No.	Nature	Name of the person
1	Key Management Personnel	Tushar Suresh Shah
2	Key Management Personnel	Ketan Babulal Shah
3	Relatives of KMP	Namita T Shah
4	Relatives of KMP	Tanay T Shah
5	Relatives of KMP	Rajeshri Ketan shah
6	Relatives of KMP	Ketan Babulal Shah HUF
7	Relatives of KMP	Tushar Suresh Shah HUF
8	Relatives of KMP	Madhu Suresh Shah
9	Others (Independent Director)	Mr VinodKumar G Bapna
10	Others (Independent Director)	Mr Nilesh Dharia

II - List of Transactions entered with them

Sr. No	Nature of Transactions	Subsidiary		Key Management Personnel (KMP)		Relatives of KMP		Total	
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
1	Remuneration Paid	-	-	1,200.00	1,200.00	-	-	1,200.00	1,200.00
2	Director Meeting Fees	-	-	44.94	35.95	-	-	44.94	35.95
3	Interest Received	3,702.76	3,474.26					3,702.76	3,474.26
4	Loan Repaid by	-	-					-	-
5	Brokerage Received	-	-	200.30	8.07	132.68	46.88	332.98	54.95
6	Salary	-	-	-	-	-	120.00/-	-	120.00/-
7	Sundry Payable	-	-	-	-	-	-	-	-
	Outstanding Liabilities								
1	Loan given to	1,37,915	12,94,11.07	-	-	-	-	1,37,915	1,29,411.07

18. Segment Reporting

The Company is engaged in two business segments, one is to provide brokerage services to its clients in the capital markets within India from which revenue is Rs. 89,76,550/- and other is trading of shares from which loss is Rs.(1,09,774/-)

19. Principal of Consolidation:

- The consolidated financial statements relate to KBS India Limited, the holding company and its foreign subsidiary. The consolidation of accounts of the company with its subsidiary has been prepared in accordance with the Accounting Standard (AS) 21 'Consolidated financial Statements' taking into considerations the stipulations mentioned in Accounting Standard (AS) 11 'The Effects of Changes in Foreign Exchange Rates'. The financial statements of the parent and its Foreign Subsidiary are combined on a line by line basis and intra group balances, intra group transactions and unrealized profits or losses are fully eliminated.
- Foreign Currency Translation Gain of Rs. 53,56,593/- is been added to the Profit & Loss Account.
- As it is a 100% Foreign Subsidiary the Minority Interest is NIL

20. Previous year's figures have been regrouped wherever necessary to confirm the classification adopted in the current year.

**FOR GOPAL RAO & ASSOCIATES
CHARTERED ACCOUNTANTS**

Firm Registration No. 127055W

N. G. Rao

Proprietor
Membership No. 33665
Place : 27th November, 2015

For and on behalf of the Board of Directors

Tushar Shah
Chairman & Managing Director

Ketan Shah
Director

Chandrakant Lodaya
Chief Financial Officer

KBS INDIA LIMITED

(CIN: L51900MH1985PLC035718)

Regd. Office: 502, Commerce House, 140 Nagindas Master Road, Fort, Mumbai – 400001
Phone: 022-40362626; Fax: 022-66139977/75; Email:chandu.kbs@outlook.com; website:www.kbs.co.in

ATTENDANCE SLIP

29TH ANNUAL GENERAL MEETING ON THURSDAY, 31ST DECEMBER, 2015

Registered Folio/ DP ID & Client ID		
Name and address of the shareholder(s)		
Joint Holder 1		
Joint Holder 2		
I/we hereby record my/our presence at the 29 th Annual General Meeting of the Company held at 502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai – 400 001 on Thursday, 31 st December, 2015 at 4.00 p.m.		
..... Member's Folio/DP ID/Client ID No. Member's/Proxy's name (in Block Letters) Member's/Proxy's Signature
Note:		
1. Please fill in the Folio/DP ID-Client ID No., name and sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.		
2. Please read the instructions for e-voting given along with Annual Report. The e-voting period starts from Monday, 28 th December, 2015 (9:00 am) and ends on Wednesday, 30 th December, 2015 (5:00 pm). The e-voting module shall be disabled by NSDL for voting thereafter.		

PLEASE BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

TEAR HERE - - -

KBS INDIA LIMITED

(CIN: L51900MH1985PLC035718)

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Phone: 022-40362626; Fax: 022-66139977/75; Email:chandu.kbs@outlook.com; website:www.kbs.co.in

PROXY FORM

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

29TH ANNUAL GENERAL MEETING ON THURSDAY, 31ST DECEMBER, 2015

Name of the member (s): _____

Registered address: _____

E-mail ID: _____

Folio No/ Client ID: _____

DP ID: _____

I/We being a member(s) of _____ Shares of the above named Company hereby appoint:

(1) Name _____

Address _____

Email ID: _____ Signature _____ or failing him;

(2) Name _____

Address _____

Email Id: _____ Signature _____ or failing him;

(3) Name _____

Address _____

Email Id: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held on Thursday, 31st December, 2015 at 4.00 p.m. at 502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

TEAR HERE

Resolution Number	Resolutions	Vote (Optional see Note 2) (Please mention no. of share)		
		For	Against	Abstain
	Ordinary Business:			
1	Ordinary Resolution for adoption of Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31 st March, 2015 together with Reports of the Directors' and of the Auditors.			
2	Ordinary Resolution for appointment of a Director in place of Mr. Ketan Babulal Shah, (DIN: 00925565) Director, who retires by rotation and being eligible, offers himself for re-appointment.			
3	Ordinary Resolution for re-appointment of M/s. Gopal Rao & Associates, Chartered Accountants Mumbai (having FRN: 127055W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.			
	Special Business:			
4	Ordinary Resolution for appointment of Mrs. Sanjeevlata Samdani (DIN: 06777920) as an Independent Director of the Company to hold office as such upto 30 th March, 2020.			
5	Ordinary Resolution for re-appointment of Mr. Tushar Shah as Managing Director of the Company for a further period of five (5) years w.e.f. 1 st July, 2015 till 30 th June, 2020.			
6	Special Resolution under Section 14 of the Companies Act, 2013 for adoption of new set of Articles of Association of the Company in the place and exclusion of the existing Articles of Association of the Company.			
Signed this _____ day of _____, 2015		<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> Affix Revenue Stamp Re.0.15 </div>		
Signature of shareholder _____				
Signature of Proxy holder(s) _____				

Note:

1. This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deemed appropriate.

KBS INDIA LIMITED

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FOR KIND ATTENTION OF SHAREHOLDERS

Dear Shareholder(s),

As per the provisions of Section 88 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the Company needs to update its 'Register of Members' to incorporate certain new details, as are required under the said provisions. Further, as per the "Green Initiative in the Corporate Governance" initiated by the Ministry of Corporate Affairs (MCA), vide its Circular No. 17/2011 dated 21/04/2011, the Company proposes to send all the notices, documents including Annual Report in electronic form to its members.

We, therefore request you to furnish the following details for updation of Register of Members and enable the Company to send all communication to you through electronic mode:

Folio No.	
Name of the Shareholder	
Father's/Mother's/Spouse's Name	
Address (Registered Office Address, in case the Member is a Body Corporate)	
E-mail ID	
PAN or CIN	
UIN (Aadhar Number)	
Occupation	
Residential Status	
Nationality	
In case member is a minor, name of the guardian	
Date of birth of the Member	

Note: Members holding shares in DEMAT mode may furnish these details to their respective DPs.

Place: _____

Date: _____

Signature of the Member

Kindly submit the above details duly filled in and signed at the appropriate place to the Registrar & Share Transfer Agents of the Company viz. **“LINK INTIME INDIA PRIVATE LTD., C-13, PANNALAL SILK MILLS COMPOUND, LBS ROAD, BHANDUP (WEST), MUMBAI 400078.”**

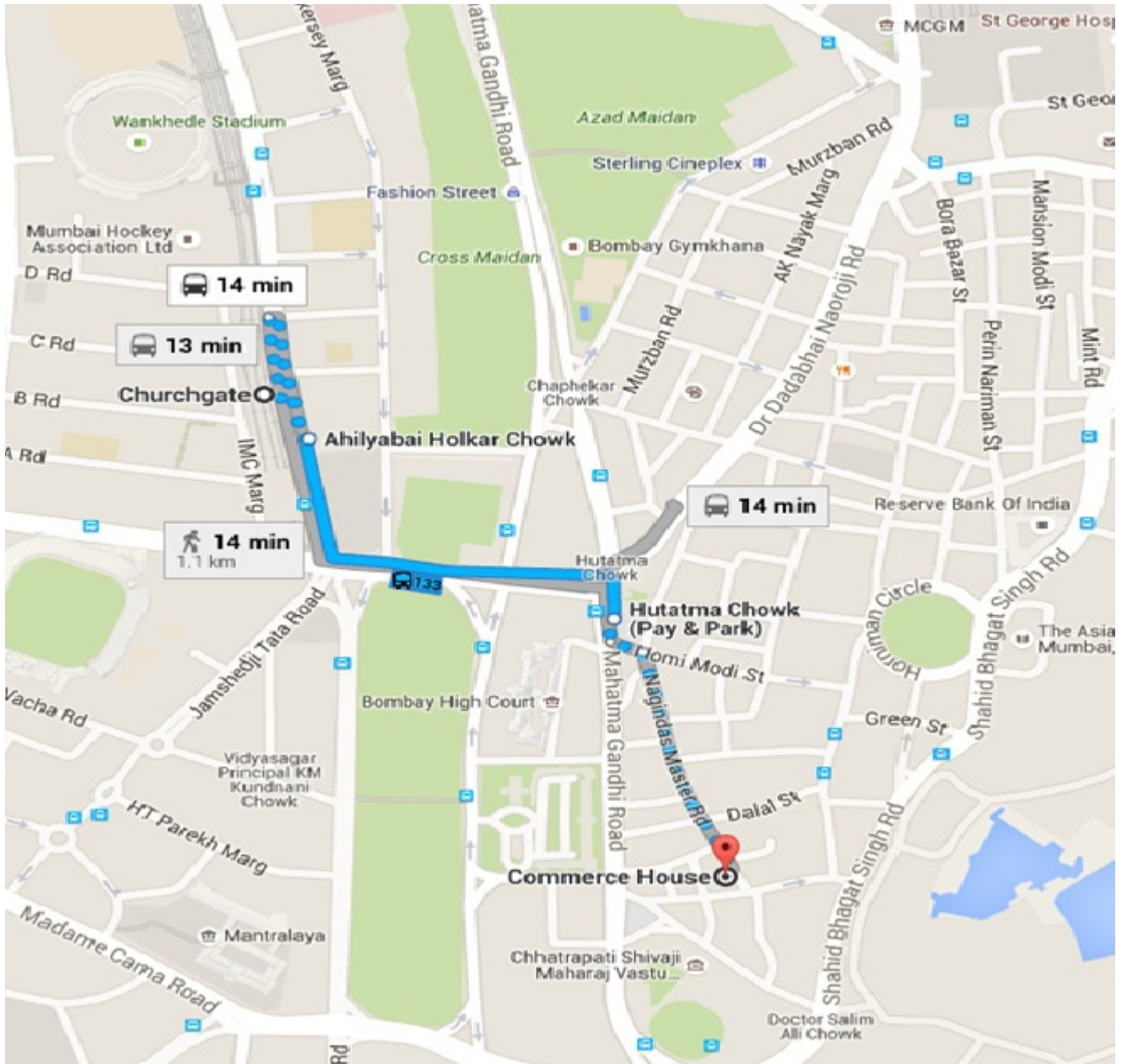
The E-mail ID provided shall be updated subject to successful verification of your signature. The members may receive Annual Reports in physical form free of cost by post by making request for the same.

Thanking You,

For **KBS INDIA LIMITED**

Tushar Shah
Chairman & Managing Director

Route Map of AGM Venue



BOOK - POST

If underlivered, please return to :

KBS India Limited
Regd. Office.: 502, Commerce House,
140 Nagindas Master Road, Fort,
Mumbai - 400 001