



# **Ken Financial Services Limited**

**22<sup>nd</sup> Annual Report  
2015 - 2016**

**KEN FINANCIAL SERVICES LIMITED**  
CIN - L65990MH1994PLC078898**CORPORATE INFORMATION**

<b>BOARD OF DIRECTORS</b>	:	1. Manoj More 2. Akash Swami 3. Sumit Gupta 4. Mukesh Saini 5. Sunil Kumar Saini 6. Gangaben Pagi
<b>REGISTERED OFFICE</b>	:	302, 3rd Floor, Standard House, 83, M. K. Road, Mumbai – 400 002
<b>BANKERS</b>	:	Axis Bank Limited Mumbai
<b>AUDITORS</b>	:	Motilal & Associates Chartered Accountants
<b>SECRETARIAL AUDITORS</b>	:	Ramesh Chandra Badi & Associates Company Secretaries
<b>SHARE TRANSFER AGENTS</b>	:	Purva Shareregistry (India) Private Limited Unit no. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Bhoricha Marg, Lower Parel, Mumbai – 400 011.
<b>SHARES LISTED AT</b>	:	The Bombay Stock Exchange Limited

## NOTICE

**NOTICE** is hereby given that the 22nd Annual General Meeting of the members of **KEN FINANCIAL SERVICES LIMITED** will be held on Friday, 30th September, 2016 at 3:00 p.m. at Registered Office of the Company at 302, 3rd Floor, Standard House, 83, M K Road, Mumbai - 400 002 to transact the following business: -

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements for the year ended 31st March, 2016 including the Balance Sheet and the Statement of Profit and Loss Account for the year ended on that date together with the report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Mukesh Saini (holding DIN 06938409) who retires by rotation and being eligible, offers him-self for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED** that pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof), the reappointment of the statutory auditors, M/s. Motilal & Associates, Chartered Accountants, Mumbai (Registration No. 106584W), as the Statutory Auditors of the Company be and is hereby ratified by the members of the Company for the financial year 2016-17 at such remuneration as may be determined by the Board of Directors of the Company."

### Registered office:

302, 3rd Floor,  
Standard House,  
83, M K Road,  
Mumbai – 400 002.

For and on behalf of the Board

Sumit Gupta  
Chairman  
DIN: 06938413

Date: 3rd September, 2016

### NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company.
2. Proxies in order to be effective must be delivered at the registered office of the Company not later than forty eight hours before the meeting.
3. Pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards - 2 (SS-2), the particulars of Directors proposed to be appointed / re-appointed at the Annual General Meeting is given in the Annexure to the notice.
4. The Register of Members and the Share Transfer Books of the Company will be closed from 27-09-2016 to 30-09-2016 (both days inclusive).
5. Member desirous of obtaining information with respect of the accounts of the Company are requested to send queries in writing to the Company at its registered office so as to reach at least seven days before the date of Meeting.

6. Members are requested to furnish their bank account details, change of address and all other required details to the Registrar & Share Transfer Agent in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).
7. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN card numbers / copies of PAN card to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent, M/s. Purva Shareregistry (India) Private Ltd.
8. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 (corresponding to Section 109A of the Companies Act, 1956). Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH 13 duly filled in to M/s. Purva Shareregistry (India) Private Ltd. at the Registered Office of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
9. As per the Companies Act, 2013 and rules made thereunder all documents to be sent to shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report, etc. henceforth will be sent to the shareholders in electronic form, to the e-mail address provided by them and made available to us by the Depositories. The physical copies of the annual report will also be available at our Registered Office for inspection during office hours. Members are also requested to register/update their email addresses, with the depository participant (in case of shares held in dematerialized form) or with Company/M/s. Purva Shareregistry (India) Private Ltd., Registrar and Share Transfer Agent of the Company (in case of Shares held in physical form).
10. For convenience of the members and for proper conduct of the meeting, entry to the place of the meeting will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.
11. Electronic copy of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
12. Members may please note that the Notice of the 22nd Annual General Meeting and the Annual Report for 2016 will also be available on the Company's website [www.ken-fin.com](http://www.ken-fin.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [kenfsl@rediffmail.com](mailto:kenfsl@rediffmail.com)
13. Voting through electronic means

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN*</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 100 then enter RA00000100 in the PAN field.</li> </ul>
<b>Dividend Bank Detail OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant company <KEN FINANCIAL SERVICES LTD.> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on <September 27, 2016 (09.00 a.m.)> and ends on <September 29, 2016 (5.00 p.m.)>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <September 23, 2016>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) M/s. Ramesh Chandra Bagdi & Associates, Practicing Company Secretaries, Indore, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**ANNEXURE**

**PURSUANT TO REGULATION 26(4) AND 36(3) THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE RE-APPOINTED IS FURNISHED BELOW:**

Name of Director	Mr. Mukesh Saini
Date of Birth	26-12-1986
No. of Equity Shares held	Nil
Qualification	HSC
Relationship with other Directors	None
Nature of Expertise	Working experience in Trading in Stock Market
Name of Companies in which he / she holds Directorship	Nil
Names of Committees of the Companies of which he / she holds membership	Nil

**DIRECTORS' REPORT**

To,  
The Members,  
**Ken Financial Services Limited**

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

**1. Financial Results**

The financial results are summarized below:

(Amount in ₹)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
A Total Income / (Loss) From Operation	15,74,919	6,74,795
B Less: Expenses	11,78,640	9,16,789
C Profit/(Loss) Before Tax	3,96,279	(2,41,993)
D Less: Current Tax	1,06,673	NIL
Deferred Tax	15,777	NIL
E Profit/(Loss) after Tax	2,73,829	(2,41,993)

**2. Financial Performance:**

During the year under review, the Company has earned profit from operation of Rs. 15.75 Lacs in comparison to profit of Rs. 6.75 Lacs incurred during the previous year. The Net Profit after tax was Rs. 2.74 Lacs in comparison with Net Loss of Rs. 2.42 Lacs during the previous year. Your Directors are hopeful of better performance in the forthcoming year. There was no change in the nature of the business of the Company during the year.

**3. Dividend & Reserves:**

Your Directors abstain from declaring any dividend for the year and no amount of profit earned during the year was transferred to General Reserve.

**4. Management Discussion & Analysis:**

Management Discussion & Analysis report is being given under Corporate Governance Report. There are no material changes between the end of the financial year and the date of the report which may affect the financial position of the Company.

**5. Listing With Stock Exchanges:**

At Present, the Equity shares of the Company are listed at Bombay Stock Exchange Ltd. (BSE). The trading in the shares of the Company on BSE is suspended w.e.f. 21.12.2015 due to non-compliance.

**6. Dematerialization of Shares:**

99.40% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2016 and balances 0.60% is in physical form. The Company's Registrar and Transfer Agent is Purva Sharegistry (India) Private Limited. having their registered office at No.9, Shiv Shakti Industrial Estate, Ground Floor, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai-400 011.



**7. Internal Financial Controls:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

**8. Finance & Accounts:**

The Company has not raised any finance by issue of any securities during the year. The Company has adequate financial resources at its disposal for carrying on its business. Details of transactions are given in the Notes to the Financial Statements.

Your Company prepares its financial statements in compliance with the requirements of Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to financial statements are made on prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs and profit for the year ended 31st March, 2016.

**9. Subsidiaries, Joint Ventures and Associates Companies:**

The Company does not have any Subsidiary/ Joint Ventures/ Associate Companies.

**10. Deposits:**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

**11. Statutory Auditors**

- (a) Comments and notes by auditors in the opinion of the management are self-explanatory and do not require any further comments.
- (b) In the Annual General Meeting of F. Y. 2013-14 held on 30-09-2014, the Company has appointed M/s. Motilal & Associates, Chartered Accountant as Statutory Auditors for the period of five years subject to the ratification by the members in every Annual General Meeting. In compliance to the provisions of Section 139 of the Companies Act, 2013, the appointment of the statutory auditors is to be ratified by the members at the forthcoming Annual General Meeting. M/s. Motilal & Associates, Chartered Accountants have given their consent for re-appointment. The members will be required to ratify the appointment of Auditors for the current financial year and fix their remuneration.

**12. Secretarial Auditors:**

In terms of Section 204 of the Act and Rules made there under, M/s. Ramesh Chandra Bagdi & Associates, Practicing Company Secretaries, Indore have been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is annexed as "Annexure A" to this report. The report is self-explanatory and do not call for any further comments.

**13. Internal Auditors:**

In terms of Section 138 of the Act and Rules made there under, M/s. V. P. Agarwal & Co. Chartered Accountants, Mumbai has been appointed as Internal Auditors of the Company.

**14. Extract of the Annual Return:**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "Annexure B".

**15. Particulars Regarding Conservation of Energy, Technology Absorption:**

Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 requires disclosure of the particulars regarding conservation of Energy and Technology absorption. The Company is not having manufacturing facilities of its own; therefore information required under this clause is not applicable to the Company.

**16. Foreign Exchange Earnings / Outgo:**

The Company has neither incurred any expenditure nor earned any income in foreign exchange.

**17. Corporate Social Responsibility (CSR):**

The Company does not fall under the prescribed class of companies' u/s 135(2) of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014. Hence CSR is not applicable to the Company.

**18. Human Resources:**

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

**19. Meetings of the Board:**

The Board of Directors duly met 7 times during the financial year, the details of the same are being given in the Corporate Governance Report.

**20. Directors and Key Managerial Personnel****(i) Changes in Directors and Key Managerial Personnel:****a. Appointment of Directors retiring by rotation:**

Mr. Mukesh Saini (holding DIN 06938409), Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Brief profile of the Directors proposed to be re-appointed as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are part of the Notice convening the Annual General Meeting.

**b. Resignation of Directors:**

During the year, Mr. Dinesh Dhokar (holding DIN 03476436) and Mr. Ronak Salecha (holding DIN 03625993) have tendered their resignation from the Directorship of the Company. The Board places its sincere gratitude for the valuable services rendered by them during their tenure as Directors of the Company.

**c. Appointment of Woman Director:**

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Gangaben Raman Pagi (holding DIN 05136544) as an Additional Director on 30th June, 2015 in terms of Section 161(1) read with Section 149(1)(b) of the Companies Act, 2013. Subsequently, in the Annual General Meeting held on 30th September, 2015, the members of the Company appointed her as the Director of the Company.

**(ii) Declaration by Independent Directors:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**21. Vigil Mechanism:**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy. This policy is posted on the website of Company.

**22. Nomination and Remuneration Policy:**

The Nomination & Remuneration Committee of the Board of Directors has adopted a policy which deals with the manner of selection and appointment of Directors, Senior Management and their remuneration. The policy is in compliance with the provisions of Section 178(3) of the Companies Act, 2013. The Remuneration Policy is stated in the Report on Corporate Governance.

**23. Particulars of Loans, Guarantees or Investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

**24. Related Party Transactions**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in Form AOC 2 is not required. Details of transactions with related parties are given in the Notes to the Financial Statements.

**25. Risk Management:**

The Company has adequate internal controls in place at various functional levels and does not foresee any major risk such as financial, credit, legal, regulatory and other risk keeping in view the nature and size of its business.

**26. Safety:**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**27. Significant and Material Orders Passed by the Regulators or Courts:**

There are no significant and material orders passed by Regulators/Courts that would impact the going concern status of the Company and its future operations.

**28. Material changes and commitment:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates on the date of this report.

**29. Board Evaluation:-**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

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

**30. Audit Committee:**

The Audit Committee is comprised of one executive and two Independent Directors. The composition of the Audit Committee is as follows:-

Name	Designation	Category
Mr. Manoj More	Chairman	Non-Executive Independent Director
Mr. Sunil Saini	Member	Non-Executive Independent Director
Mr. Dinesh Dhokar*	Member	Non-Executive Independent Director
Mrs. Gangaben Pagi@	Member	Non-Executive Independent Director

\*Upto 04-03-2016 @From 04-03-2016

All the recommendations made by the Audit Committee were accepted by the Board.

**31. Nomination & Remuneration Committee:**

The Nomination and Remuneration Committee is comprised of three directors. The composition of the Remuneration Committee is as follows:-

Name	Designation	Category
Mr. Sunil Saini	Chairman	Non-Executive Independent Director
Mr. Manoj More	Member	Non-Executive Independent Director
Mr. Dinesh Dhokar*	Member	Non-Executive Independent Director
Mrs. Gangaben Pagi@	Member	Non-Executive Independent Director

\*Upto 04-03-2016

@From 04-03-2016

**32. Corporate Governance:**

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. It is imperative that our company affairs are managed in fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

A report on a Corporate Governance is appended as annexure to this report

**33. Ratio of Remuneration:**

The information required pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

Sr. No.	Name	Designation	Remuneration FY 2015-16	% increase from previous year	Ratio/Times per Median of Employee Remuneration
1.	Mr. Akash Swami	Whole Time Director	370000	9.09%	N. A.
2.	Mr. Sumit Gupta	Whole Time Director	285000	25%	N. A.
3.	Mr. Mukesh Saini	Whole Time Director	2710	N.A.	N. A.

The particulars of the employees as required under Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the employees of the Company was in receipt of remuneration as prescribed under the said Rules.

**34. Share Capital:****A) Buy Back of Securities**

The Company has not bought back any of its securities during the year under review.

**B) Sweat Equity**

The Company has not issued any Sweat Equity Shares during the year under review.

**C) Bonus Shares**

No Bonus Shares were issued during the year under review.

**D) Employees Stock Option Plan**

The Company has not provided any stock option plan during the year under review.

**35. Directors Responsibility Statement:**

According to the provisions of section 134(3)(c) of the Companies Act, 2013, the directors confirm that:

- a) in the preparation of annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the accounting policies as selected are consistently applied and made judgements and estimates that are reasonable and prudent manner so as to ensure true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for the year ended on that date;
- c) adequate accounting records are maintained in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) financial statements have been drawn up 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 are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**36. Acknowledgment:**

Your directors take the opportunity to record their deep sense of gratitude for the valuable support and cooperation extended to the Company by its shareholders and bankers.

**Registered Office:**

302, 3rd Floor,  
Standard House,  
83, M. K. Road,  
Mumbai - 400 002.

For and on behalf of the Board

**Sumit Gupta**  
DIN: 06938413  
Director

Dated: 30th May, 2016

**Annexure A**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016.**  
**[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,  
**Ken Financial Services Limited**  
**CIN: L65990MH1994PLC078898**  
302, 3rd Floor, Standard House,  
83, M. K. Road,  
Mumbai – 400 002.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ken Financial Services Limited** (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, 2016** ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2016** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations 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 The 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) We have relied on the information and representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under the other applicable Acts, Laws and Regulations to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India in respect of Board Meetings and Annual General Meeting.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.
- (iii) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. Non-appointment of Company Secretary & CFO under Section 203 of the Companies Act, 2013.

#### **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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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



**We further report that** during the audit period there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

**Lastly we report that** the scrip of the company is presently suspended by BSE and being NBFC Company, following Laws, Regulations, Directions, Orders applicable specifically to the Company:

- a) The Reserve Bank of India Act, 1934.
- b) Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- c) Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008.
- d) Guidelines on Corporate Governance issued by Reserve Bank of India for NBFCs.

For **Ramesh Chandra Bagdi & Associates,**  
Company Secretaries,

Place: Indore  
Dated: 30th May 2016

**R. C. Bagdi**  
Proprietor  
C. P. No. – 2871

Encl: Annexure "1" forming an integral part of this Report.

**Annexure 1**

To,  
The Members,  
**Ken Financial Services Limited**  
CIN: L65990MH1994PLC078898  
302, 3rd Floor, Standard House,  
83, M. K. Road,  
Mumbai – 400 002

Our Report of even date is to be 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 provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation with respect to compliance of laws, rules and regulations and of significant events during the year.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis to the extent applicable to the Company.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Ramesh Chandra Bagdi & Associates**,  
Company Secretaries,

**R. C. Bagdi**  
Proprietor  
C. P. No. – 2871

Place: Indore  
Dated: 30th May 2016

## Annexure B

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management &amp; Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L65990MH1994PLC078898
ii)	Registration Date	10-06-1994
iii)	Name of the Company	Ken Financial Services Limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/Indian Non-Government Company
v)	Address of the Registered office and	302, 3rd Floor, Standard House, 83, M. K. Road, Mumbai - 400 002.
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details	<b>Purva Share Registry (India) Pvt. Ltd.,</b> Unit No. 9, Shiv Shakti Industrial Estate, J R Borich Marg, Opp. Kasturba Hospital Lane, Lower Parel (East), Mumbai - 400011.

## 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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Financial Intermediation, Except Insurance and Pension Funding	65	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NOT APPLICABLE

SR. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NONE					

**IV. SHAREHOLDING PATTERN (Equity Share capital Break up as percentage of Total Equity)****i) Category-Wise Share Holding**

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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	41,900	0	41,900	1.40	41,900	0	41,900	1.40	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank/Fl	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (1) :-</b>	<b>41,900</b>	<b>0</b>	<b>41,900</b>	<b>1.40</b>	<b>41,900</b>	<b>0</b>	<b>41,900</b>	<b>1.40</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/Fl	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>41,900</b>	<b>0</b>	<b>41,900</b>	<b>1.40</b>	<b>41,900</b>	<b>0</b>	<b>41,900</b>	<b>1.40</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/Fl	0	0	0	0.00	0	0	0	0.00	0.00
C) Cenntal Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) Flls	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>

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	
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	6,22,648	0	6,22,648	20.75	7,32,752	0	7,32,752	24.42	3.67
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	4,84,968	18,400	5,03,368	16.78	4,56,507	17,900	4,74,407	15.81	-0.97
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	16,79,358	0	16,79,358	55.98	15,88,855	0	15,88,855	52.96	-3.02
c) Others (specify)									
NRI (Repat & Non Repat)	57	0	57	0.00	57	0	57	0.00	0.00
HUF	1,52,269	0	1,52,269	5.08	1,57,265	0	1,57,265	5.24	0.17
Clearing Members	500	0	500	0.02	4,864	0	4,864	0.16	0.15
<b>SUB TOTAL (B)(2) :-</b>	<b>29,39,800</b>	<b>18,400</b>	<b>29,58,200</b>	<b>98.60</b>	<b>29,40,300</b>	<b>17,900</b>	<b>29,58,200</b>	<b>98.60</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>29,39,800</b>	<b>18,400</b>	<b>29,58,200</b>	<b>98.60</b>	<b>29,40,300</b>	<b>17,900</b>	<b>29,58,200</b>	<b>98.60</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>29,81,700</b>	<b>18,400</b>	<b>30,00,100</b>	<b>100.00</b>	<b>29,82,200</b>	<b>17,900</b>	<b>30,00,100</b>	<b>100.00</b>	<b>0.00</b>

**(ii) SHARE HOLDING OF PROMOTERS**

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Mr. Aashish Jajodia	41,900	1.40	0.00	41,900	1.40	0.00	0.00
	<b>Total</b>	<b>41,900</b>	<b>1.40</b>	<b>0.00</b>	<b>41,900</b>	<b>1.40</b>	<b>0.00</b>	<b>0.00</b>

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( PLEASE SPECIFY, IF THERE IS NO CHANGE )**

Sl. No.	For Each of the Directors & KMP	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	No changes in Promoters shareholding during the year			
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	No changes in Promoters shareholding during the year			
3	At the end of the year	No changes in Promoters shareholding during the year			

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

Sl. No.	For Each of the Top 10 Shareholders	Share holding at the beginning of the Year		Shareholding at the end of the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sangeeta Sharad Podar	0	0.00	145000	4.83
2	Ramani Verma	0	0.00	141900	4.73
3	Arcadia Share & Stock Brokers Pvt. Ltd.	1,23,170	4.11	123979	4.13
4	Ishwar Lal Kalantri	1,10,000	3.67	110000	3.67
5	Nandkishore Bhandari	90,000	3.00	90000	3.00
6	Prakash Shankar Bhosale	80,744	2.69	80744	2.69
7	Milestone Shares & Stock Broking	77,037	2.57	77037	2.57
8	Vidyadhar Ramnaresh Dubey	73,191	2.44	73,191	2.44
9	Yoke Securities Limited	70,993	2.37	70,993	2.37
10	Bhawani Singh Shekhawat	63,378	2.11	65000	2.17

**(v) Shareholding of Directors & Key Managerial Personnel**

Sl. No.	Particulars	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	None of the Directors or KMP hold shares in Company			
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	None of the Directors or KMP hold shares in Company			
3	At the end of the year	None of the Directors or KMP hold shares in Company			

**V. INDEBTEDNESS**

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

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtness at the beginning of the financial year</b>				
I Principal Amount	0	23,39,612	0	23,39,612
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>23,39,612</b>	<b>0</b>	<b>23,39,612</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	23,39,612	0	3,39,612
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>23,39,612</b>	<b>0</b>	<b>23,39,612</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

<b>Sl. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>			<b>Total Amount</b>
		<b>WTD</b>	<b>WTD</b>	<b>WTD</b>	
<b>1.</b>	<b>Gross salary</b>	<b>Mr. Akash Swami</b>	<b>Mr. Sumit Gupta</b>	<b>Mr. Mukesh Saini</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	3,70,000	2,85,000	2,710	6,57,710
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	-as % of profit	0	0	0	0
	-others, Specify....	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total (A)</b>	<b>3,70,000</b>	<b>2,85,000</b>	<b>2,710</b>	<b>6,57,710</b>

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	NIL	NIL
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c ) Others, please specify		
	<b>Total (1)</b>		
2.	Other Non Executive Directors		
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c ) Others, please specify.		
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>		
	Total Managerial Remuneration		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1	Gross Salary	CEO	Company Secretary	CFO	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	NIL			
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961				
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	-as % of profit				
	-others, specify				
5	Others, please specify				
	<b>Total</b>				



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

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

## CORPORATE GOVERNANCE REPORT

*(Pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of maximizing stakeholder's value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the organization. The Company has adopted the requirement of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure requirements of which are given below:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your company's philosophy of Corporate Governance has evolved from its continued faith in fundamentals of fairness, accountability, disclosures and transparency. The Company believes that Corporate Governance is a pre-requisite for attaining sustainable growth in this competitive corporate world.

The governance practices followed by your company have played a vital role in its journey of continued success. All the procedures, policies and practices followed by your company are based on sound governance principles. Comprehensive disclosures, structured accountability in exercise of powers and commitment in compliance with regulations and statutes in latter as well as spirit have enabled your company to enhance shareholder value.

Your Company has complied with all regulation stipulated by the Clause 49 of the Listing Agreement. The Company's policies and practices cover most of the elements of the corporate governance voluntary guidelines, 2009 issued by the Ministry of Corporate Affairs.

### 2. BOARD OF DIRECTORS

- (i) Composition of Board, Directorships and Committees position held in other Companies as at 31st March 2016.

Director	Executive / Non-Executive/ Independent	No. of outside Directorship Held	Outside Committees#	
			As Chairman	As member
Mr. Manoj More	*Non-Executive	7	2	2
Mr. Dinesh Dhokar	@*Non-Executive	1	None	None
Mr. Sunil Saini	*Non-Executive	0	None	None
Mr. Ronak Salecha	@*Non-Executive	1	None	None
Mr. Akash Swami	Executive	0	None	None
Mr. Mukesh Saini	Executive	0	None	None
Mr. Sumit Gupta	Executive	0	None	None
Mrs. Gangaben Pagi	\$*Non-Executive	1	None	None

\* Also Independent

@ upto 04-03-2016

\$ from 30-06-2015

# Only three Committees viz. Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration committee are considered for this purpose.

Independent Director is defined as one who apart from receiving sitting fee as a Director, does not have any other material pecuniary relationship or transactions in his personal capacity with the Company, its promoters & management.

**(ii) Board Meetings:**

In the financial year 2015-16, the Board of Directors met 7 times. The meetings were held on 15-05-2015, 30-05-2015, 30-06-2015, 14-08-2015, 09-11-2015, 13-02-2016 and on 04-03-2016.

Attendance of Directors in meetings held during the financial year 2015-2016.

Name of Directors	No. of Board Meeting attended in F.Y. 2015-2016	Attendance AGM
Mr. Manoj More	7	Yes
Mrs. Gangaben Pagi	5	Yes
Mr. Dinesh Dhokar	6	Yes
Mr. Sunil Saini	7	Yes
Mr. Ronak Salecha	6	Yes
Mr. Akash Swami	7	Yes
Mr. Mukesh Saini	7	Yes
Mr. Sumit Gupta	7	Yes

None of the Directors are nominee of any Institutions.

The Board of Directors meets atleast once in a quarter to review the quarterly financial results and operation of the company. In addition to the above, the Board also meets as and when necessary to address specific issue relating to the business.

**(iii) Disclosure of relationships between Director inter-se:**

Table given below shows the relationship between the Directors:

Name of the Directors	Category	Relationship between Directors Inter-se
Shri Sumit Gupta	Professional Executive	None
Shri Akash Swami	Professional Executive	None
Shri Mukesh Saini	Professional Executive	None
Shri Manoj Kumar More	Independent	None
Shri Sunil Saini	Independent	None
Mrs. Gangaben Pagi	Independent	None

**(iv) Shareholding of Non- Executive Directors in the Company**

The Shareholding of the Non- Executive Directors in the Company as on 31.03.2016:

Name of Directors	Category	No. of Shares held
Shri Mukesh Saini	Non-Executive	NIL
Shri Manoj Kumar More	Non-Executive Independent	NIL
Shri Sunil Saini	Non-Executive Independent	NIL
Mrs. Gangaben Pagi	Non-Executive Independent	NIL

**(v) Familiarization programmes for Independent Directors:**

Every Independent Director of the Company is provided with ongoing information about the industry and the Company so as to familiarize them with the latest developments. The questionnaires are prepared considering the business of the Company.

The details of the Policy for the familiarization programmes for the Independent Directors are hosted on the website of the Company which can be accessed at the website: [www.ken-fin.com](http://www.ken-fin.com)

**3. AUDIT COMMITTEE****(i) Terms of Reference**

The Audit Committee has been mandated with the terms of reference as specified in Clause 49 of the Listing agreement with the Stock Exchange, Mumbai & enumerated in section 177 of the Companies Act, 2013 and covers all the aspects stipulated by the SEBI Guidelines.

**(ii) Composition of the Committee:**

The Audit Committee is comprised of three non-executive executive independent Directors. During the financial year ended 31.03.2016, four Audit Committee Meetings were held on 30-10-2015, 14-08-2015, 09-11-2015 and 13-02-2016.

Name	Designation	Category	No. of Meetings attended during the year 2015-16
Mr. Manoj More	Chairman	Non-Executive Independent Director	4
Mr. Sunil Saini	Member	Non-Executive Independent Director	4
Mr. Dinesh Dhokar*	Member	Non-Executive Independent Director	4
Mrs. Gangaben Pagi@	Member	Non-Executive Independent Director	-

@From 04-03-2016      \*Upto 04-03-2016

**(iii) Invitee:** (being entitled to attend as per relevant provisions of applicable laws/rules and/or as and when felt necessary)

- (a) The Statutory Auditors viz. M/s. Motilal & Associates
- (iv) The Chairman of the Audit Committee attended the Annual General Meeting held on 30th September, 2015 and provided clarifications to the members of the Company on the matters relating to Accounts and finance.
- (v) An Audit Committee meeting was held on 30th May, 2015 where the Annual Financial Statements for the year ended 31st March, 2015 were reviewed and examined by the members of the Audit Committee before recommending the same to the Board of Directors for their perusal and adoption.

The Audit Committee reviewed the Quarterly / Half Yearly Un-Audited Financial Results on the following dates before recommending the same to the Board.

Financial Reporting	Date of Approval by Audit Committee
Quarter/Year ended 31st March, 2015	30th May, 2015
Quarter ended 30th June, 2015	14th August, 2015
Quarter/Half Year ended 30th Sept. 2015	09th November, 2015
Quarter ended 31st December, 2015	13th February, 2016

#### 4. NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178 of the Companies Act, 2013 and requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has proper constitution of Nomination and Remuneration Committee and the terms of reference before the Committee are as under:

##### (i) Terms of Reference

- (a) The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- (b) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees.

##### Remuneration Policy:

The Company's remuneration policy aims to attract and retain talent and is in accordance with the industries practices. The policy ensures equity, fairness and consistency in rewarding the employees on the basis of performance against earmarked objectives.

The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him.

##### (ii) Composition:

The Nomination and Remuneration Committee is comprised of Non-executive independent Directors. During the financial year ended 31.03.2016, Two Committee Meetings were held on 30-06-2015 and 13-02-2016.

The composition of the Nomination and Remuneration Committee and the attendance of each Director at their meetings are as follows:-

Name	Designation	Category	No. of Meetings attended during the year 2015-16
Mr. Sunil Saini	Chairman	Non-Executive Independent Director	2
Mr. Manoj More	Member	Non-Executive Independent Director	2
Mr. Dinesh Dhokar*	Member	Non-Executive Independent Director	2
Mrs. Gangaben Pagi@	Member	Non-Executive Independent Director	-

@From 04-03-2016

\*Upto 04-03-2016

**(iii) Performance Evaluation Criteria for Independent Directors:**

Pursuant to the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has evaluated the performances of each Independent Director. The Evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

- a) Attendance of Board and Committee Meetings;
- b) Quality of contribution to Board deliberations;
- c) Strategic perspectives or inputs regarding future growth of the Company and its performances;
- d) Providing perspectives and feedback going beyond information provided by the management.

**5. REMUNERATION OF DIRECTORS:**

- a) Pecuniary relationship or transactions of the non-executive directors: The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the year 2015-16.
- b) Criteria of making payments to non-executive directors: None of the Non - Executive Directors is being paid any remuneration.
- c) Details of remuneration/sitting fees paid to Directors during the year ended 31st March, 2016 and shares held by them on that date are as follows:

<b>Name</b>	<b>Remuneration</b>	<b>Share held</b>
Shri Akash Swami	3,70,000/-	None
Shri Sumit Gupta	2,85,000/-	None
Shri Mukesh Saini	2,710/-	None

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE**

In accordance with the provisions of Section 178(5) of the Companies Act, 2013 and requirements of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of reference before the Stakeholders Relationship Committee of the Board are as under:

- (i) The Company has a 'Stakeholders Relationship Committee' to approve transfer and transmission of securities, issue of duplicate certificates, review of share dematerialization and rematerialization, monitoring the performance of company's Registrar and Transfer Agent and deals with other Shareholder related issues.
- (ii) The Committee is chaired by Mr. Manoj More. The Committee met twice during the year 2015-16 on 30-05-2015 and 09-11-2015. The Committee comprises of Two Non-executive and Independent Directors and One Executive Director, Details of composition are as under:

Name	Designation	Category	No. of Meetings attended during the year 2015-16
Mr. Manoj More	Chairman	Non-Executive Independent Director	2
Mr. Sunil Saini	Member	Non-Executive Independent Director	2
Mr. Sumit Gupta	Member	Executive	2

Mr. Sumit Gupta has been designated by the Board as the 'Compliance Officer' of the Company for complying with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, Mumbai.

(iii) Number of Shareholders' complaints received during the year : Nil

Number not solved to the satisfaction of the Shareholders : Nil

Number of pending share transfers : Nil

## 7. GENERAL BODY MEETINGS:

(i) Details of the last three Annual General Meetings:

Financial Year	Date of the meetings	Venue	Time
19th	30-09-2013	Sai Darshan, Plot No. 97, Daulat Nagar Road No. 8, Borivali (E), Mumbai – 400066.	3.30 p.m.
20th	30-09-2014	Sai Darshan, Plot No. 97, Daulat Nagar Road No. 8, Borivali (E), Mumbai – 400066.	3.30 p.m.
21st	30-09-2015	302, 3rd Floor, Standard House, 83, M K Road, Mumbai – 400 002	4.30 p.m.

(ii) Special Resolution passed in previous three AGMs:

AGM Date	Special Resolutions passed
30-09-2013	No Special Resolution was passed
30-09-2014	No Special Resolution was passed
30-09-2015	No Special Resolution was passed

(iii) Postal Ballot: During the year 2015-16, there was no special resolution passed through postal ballot process. None of the business is proposed to be transacted through Postal Ballot.

**8. MEANS OF COMMUNICATION.**

Quarterly Results	The quarterly results as approved and taken on record by the Board of Directors of the Company generally within one and half month of the close of the relevant quarters are sent forthwith to the Stock Exchange, Mumbai and published in the proforma as prescribed in the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Which newspaper normally published in	The Free Press Journal (English Newspaper) Lokshakti (Marathi newspaper)
Any website where displayed	www.ken-fin.com
Whether it also displays official news release	No
Whether presentations made to institutional investors or to analyst	No request as such was received

**9. GENERAL SHAREHOLDERS INFORMATION**

<b>( i ) Next AGM:</b>		
Date	Time	Venue
30.09.2016	03.00 p.m.	302, 3rd Floor, Standard House, 83, M K Road, Mumbai – 400 002.
(ii) Financial Year		1st April to 31st March
(iii) Dividend Payment Date		: N.A.
(vi) Listing on Stock Exchanges:		The Shares of the Company are listed at Bombay Stock Exchange Limited, Mumbai – 400 001.
(v) Listing Fees		The Company is yet to pay the listing fees to the BSE Limited for the financial year 2015-16.
(vi) Stock Code BSE ISIN		530547 INE395E01018
(vii) Depository Connectivity		National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL)



**(viii) Stock Market Data:**

Month	High	Low	Month Close
April 2015	4.23	4.02	4.02
May 2015	4.07	3.66	3.87
June 2015	4.05	4.05	4.05
July 2015	4.23	4.23	4.23
August 2015	5.19	4.43	5.19
September 2015	5.18	4.43	4.43
October 2015	4.21	4.00	4.19
November 2015	-	-	-
December 2015	4.58	4.38	4.60
January 2016	-	-	-
February 2016	-	-	-
March 2016	4.75	4.75	4.75

<b>(ix)</b> Performance of the share price of the Company in comparison to the BSE Sensex:	The trading in the shares of the Company on BSE is suspended w.e.f. 21.12.2015.
<b>(x) Registrar &amp; Transfer Agents:</b> The Company has appointed M/s. Purva Shareregistry (India) Private Limited as a common agency for share registry work (both physical & electronic) for all matters connected with transfers and transmission of shares and also dematerialization of shares and other related functions.  <b>M/s. Purva Shareregistry (India) Private Limited</b> Unit no. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Bhoricha Marg, Lower Parel, Mumbai – 400 011.	
<b>(xi) Share Transfer System:</b> With a view to expedite the process of share transfers, the Board of Directors has delegated the power of share transfer to Stakeholders Relationship Committee of the Board. The shares for transfer received in physical mode by the Company, are transferred expeditiously and thereafter, option letter is sent to the transferee(s) for dematerialization, Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories, i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited within 7 days.	

**(xiii) DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2016****(a) According to Category holdings**

Category	No. of Shareholders	% of Shareholders	No. of Shares	% of shares
Promoters	1	0.17	41900	1.40
Person Acting in concert	0	0	0	0.00
FI(s) Bank & Mutual Fund	0	0	0	0.00
Individual/Indian Public	492	86.01	2063262	68.77
Corporate Bodies	29	5.07	732752	24.42
NRI/OCB	1	0.17	57	0.00
Clearing Members	4	0.70	4864	0.16
Hindu Undivided Family	45	7.87	157265	5.24
<b>Total</b>	<b>572</b>	<b>100.00</b>	<b>3000100</b>	<b>100.00</b>

**(b) According to Number of Equity Shares**

Nominal Value of Equity Shares held	No. of shareholders	% of total shareholders	No. of shares	% of shareholding
Upto 5000	327	57.17	65778	2.19
5001 to 10000	55	9.62	47147	1.57
10001 to 20000	44	7.69	68182	2.27
20001 to 30000	23	4.02	59628	1.99
30001 to 40000	18	3.15	64421	2.15
40001 to 50000	19	3.32	91537	3.05
50001 to 100000	26	4.55	200804	6.69
Above - 100001	60	10.49	2402603	80.08
<b>Total</b>	<b>572</b>	<b>100.00</b>	<b>3000100</b>	<b>100.00</b>

(xiv) Dematerialization of Shareholding and liquidity	99.40% Company Equity Share's dematerialized as on 31-03-2016
(xv) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity	Not Applicable
(xvi) Commodity Price risk or foreign exchange risk and hedging activities.	The Company did not engage in Commodity & hedging activities during the year.
(xvii) Plant Locations	The Company is not engaged in any manufacturing activities hence do not have any plant.
(xviii) Address for Correspondence	The shareholders may address their communications/ suggestions/ queries/ grievances to our share transfer agent: M/s. Purva Sharegistry (India) Private Limited Unit no. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Bhoricha Marg, Lower Parel, Mumbai-400 011.

**10. DISCLOSURES:**

Disclosure on materially significant related party transactions i.e. transactions of the Company of Material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large	There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management or relatives etc. during the year, that may have potential conflict with the interests of the Company at large.
Details of Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority or any matter related to Capital Market during last three years.	Due to non-compliance regarding filing reports, the trading in the shares of the Company on BSE is suspended w.e.f. 21.12.2015.
Details of establishment of vigil mechanism / whistle blower policy	The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy.
Details of compliance with mandatory requirements and adoption of non-mandatory requirements	<p>The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement (upto 30th November, 2015) and Regulation 27 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 2015).</p> <p>The Details of these compliances along with the non-mandatory requirements adopted by the Company have been given in the relevant section of this report.</p>
Material Subsidiary	The Company has no material Subsidiary
Web link for policy on dealing with related party transactions	<a href="http://www.ken-fin.com/CMS/3/Investor%20Relation">http://www.ken-fin.com/CMS/3/Investor%20Relation</a>

**11. COMPLIANCE OF THE REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:**

During the year 2015-16, the Company has complied with the requirements of Corporate Governance Report as mentioned in sub-paras (2) to (10) of Para C of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**12. DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

The Company has adopted following non-mandatory requirements of Regulation 27 and Part E of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

- a) Reporting of Internal Auditor – The Internal Auditor directly reports to the Audit Committee.

**13. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE:**

The Company has complied with the Regulations 17 to 27 and Clauses (b) to (i) sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the year 2015-16, wherever applicable.

**13. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/ bonus/ right issues as at 31st March, 2016. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

**DECLARATION – CODE OF CONDUCT**

I, Sumit Gupta, Director and Chief Executive Officer of the Company, do hereby declare that all the Board members and Senior management personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to requirements of para D of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For and Behalf of the Board

Place: Mumbai  
Dated: 30th May, 2016

**Sumit Gupta**  
DIN: 06938413  
Director

**AUDITORS COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To the members of Ken Financial Services Limited

We have reviewed the compliance of conditions of Corporate Governance by Ken Financial Services Limited for the year ended 31st March, 2016 as stipulated in para E of Schedule V the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange:

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance in all material respect as stipulated in the above mentioned Listing Agreement.

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

**For Motilal & Associates**  
Chartered Accountants  
Firm Reg. No. 106584W

Place: Mumbai  
Date: 30th May 2016

**Motilal Jain**  
Proprietor  
Membership No. 036811

## MANAGEMENT DISCUSSION AND ANALYSIS (MD&A):

### Overall Review

The financial year 2015-2016 did not pan out as envisaged last year primarily due to a deteriorating in global situation leading to exports slowdown and the second straight year of poor monsoon. Government did reorient the fiscal spending towards infrastructure in gradual economic recovery. Reserve Bank of India (RBI) also resumed monetary easing in financial year 2015-2016. However, due to stressed Balance Sheets, less than half of RBI cuts got transmitted. We expect the situation to improve in coming year as normal monsoon is predicted which would provide some relief. The benefits of RBI rate cuts will finally flow into domestic economy through better transmission.

### Industry Structure and Development

The NBFC sector has been steadily gaining systematic importance with increase in assets from less than 11% of banking assets in FY 2009 to over 14% now. NBFC have been growing at a faster rate due to a smaller base and also due to their ability to structure transactions to satisfy specific customers need. It could also control the assets quality because of availability of better collateral cover. NBFC continue to be an important source of capital for borrowers.

### Opportunities and Threats

We believe that despite the current headwinds, the long term India growth story is intact and the recent improvement in the economy augurs well for financial services firm like Ken. We believe the policy liberalization and forward looking regulatory changes will help market grow in size, thus making available wider opportunities for providers of financial service. Poor monsoon than expected and slower than expected push to reforms are perceived to be threats for growth of financial service Sector in India.

### Segment-wise/Product-wise Performance

Your Company has only one reporting segment. The revenue for the year was Rs. 15.75 lakh and the profit after tax was Rs. 2.74 lakh.

### Outlook

The markets presently are subdued and how sooner it will revive is not easy to predict. However, with the industry's increasing preparedness, the evolving opportunities can be better harvested.

### Risk and Concern

In recent months inflation has shown an upward trend, which could pose a risk, should it not be tamed quickly. The Government should continue its initiative of Ease of Doing Business. During the year your Company under its well planned and defined risk management policy gave attention to all the risk areas. The Board of Directors is apprised of the development in risk management in periodical meetings where the quarterly results are approved.

### Internal Control System

Your Company has a planned internal control system through internal checks and reviews it periodically to strengthen it and safeguard Company's assets. Management Information System is given upmost importance.

**Financial Performance w.r.t. Operational Performance**

During the year under review, the Company has earned Total Revenue of Rs. 15.75 lakh as compared to Rs. 6.75 lakh earned during the previous year. The Company has earned net profit after tax of Rs. 2.74 lakh as to loss of Rs. 2.42 lakh incurred during the previous year. The profitability has improved despite adverse market conditions. The operational performance has shown some improving sign.

**Safety, Health and Environment**

Your Company as a matter of policy gives greater importance to safety, health and environment and also ensures compliance with applicable legislative requirements.

**Human Resources**

Your Company recognizes the importance of Human Resource in achieving its objectives and strategies as human resource plays an important role in the success and growth of Company. Your company gives priority in honing and utilizing their skills through in house training programs.

**Cautionary Statement**

The report contains forward looking statements describing expectations, estimates, plans or words with similar meaning. Your Company's actual result may differ from those projected depending on various factor. Your Company cannot guarantee that the assumptions and estimates in the forward looking statements are accurate or will be realized.

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**KEN FINANCIAL SERVICES LIMITED.**

### Report on the Standalone Financial Statements

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

### Management's Responsibility for the Standalone Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express an opinion on these 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 on 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its Profit and its cash flow for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on basis of such checks of books and records of the company as we considered appropriate and according the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Motilal & Associates  
Chartered Accountants  
Firm Reg. No. 106584W

(Motilal Jain)  
Proprietor  
Membership No. 036811

Place: Mumbai  
Date: 30th May 2016

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**  
**(Referred to in Paragraph (1) of our Report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management during the period and no material discrepancies were noticed on such physical verification.
- (c) The Company did not own any immovable property during the year.
- (ii) The stock of shares and securities is held in dematerialized form and therefore physical verification of stock is not required. Consequently, the provisions of clauses ii (a) and ii (b) of the order are not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 during the year. Consequently, the provisions of clauses iii (a) and iii (c) of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013.
- (vii) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised any money by way of Term Loan during the year.

- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations, the Company has paid/provided managerial remuneration in accordance with the requisite approval mandated by the provision of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **Motilal & Associates**  
Chartered Accountants  
Firm Reg. No. 106584W

**(Motilal Jain)**  
Proprietor  
Membership No. 036811

Place: Mumbai  
Date: 30th May 2016

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

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

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

For Motilal & Associates  
Chartered Accountants  
Firm Reg. No. 106584W

Place: Mumbai  
Date: 30th May 2016

(Motilal Jain)  
Proprietor  
Membership No. 036811

**BALANCE SHEET AS AT 31ST MARCH, 2016**

<b>Particulars</b>	<b>Note No.</b>	<b>As at 31<sup>st</sup> March 2016 (₹)</b>	<b>As at 31<sup>st</sup> March 2015 (₹)</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	2	3,00,01,000	3,00,01,000
(b) Reserves and Surplus	3	56,46,061	53,72,232
<b>(2) Non-current liabilities</b>			
(a) Deferred tax liabilities (Net)	4	21,161	5,384
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	5	23,39,612	23,39,612
(b) Trade payables	6	7,20,000	7,20,000
(c) Other Current liabilities	7	29,84,351	2,98,387
(d) Short-term provisions	8	8,04,955	6,98,282
<b>TOTAL</b>		<b>4,25,17,140</b>	<b>3,94,34,897</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed Assets			
(i) Tangible assets	9	2,19,803	2,23,440
(b) Long-term loans and advances	10	3,22,28,144	3,30,01,315
<b>(2) Current assets</b>			
(a) Inventories	11	47,10,152	48,08,274
(b) Trade Receivables	12	38,67,854	0
(c) Cash and cash equivalents	13	44,280	3,85,269
(d) Other current assets	14	14,46,906	10,16,598
<b>TOTAL</b>		<b>4,25,17,140</b>	<b>3,94,34,897</b>
Notes referred above form an integral part of the Financial statements	1		

**As per our report attached**

For **Motilal & Associates**  
Chartered Accountants  
Firm Regn. No. : 106584W

**(Motilal Jain)**  
Proprietor  
Membership No. : 036811

**For Ken Financial Services Limited**

**(Akash Swami)**                      **(Sumit Gupta)**  
(Din 06938405)                      (Din 06938413)  
Director                                      Director

Place : Mumbai  
Dated : 30th May 2016

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

<b>Sr. Particulars No.</b>	<b>Note No.</b>	<b>Year ended 31st March 2016 (₹)</b>	<b>Year ended 31st March 2015 (₹)</b>
I Revenue from operations	15	15,74,919	5,84,795
II Other income	16	0	90,000
<b>III Total Revenue (I + II)</b>		<b>15,74,919</b>	<b>6,74,795</b>
<b>IV Expenses:</b>			
Employee benefits expense	17	6,57,710	6,63,349
Depreciation and amortization expense	18	3,637	3,637
Other Administrative expenses	19	5,17,293	2,49,803
<b>Total expenses</b>		<b>11,78,640</b>	<b>9,16,789</b>
<b>V Profit before tax (III-IV)</b>		<b>3,96,279</b>	<b>-2,41,994</b>
<b>VI Tax expense:</b>			
Current Tax		1,06,673	0
Deferred Tax		15,777	0
<b>Total tax expenses</b>		<b>1,22,450</b>	<b>0</b>
<b>VII Profit (Loss) after Tax (V-VI)</b>		<b>2,73,829</b>	<b>-2,41,994</b>
<b>VIII Earnings per equity share:</b>			
(1) Basic		0.09	-0.08
(2) Diluted		0.09	-0.08

Notes referred above form an integral part of the  
Financial statements

1

For **Motilal & Associates**

Chartered Accountants

Firm Regn. No. : 106584W

**(Motilal Jain)**

Proprietor

Membership No. : 036811

For **Ken Financial Services Limited**

**(Akash Swami)**

(Din 06938405)

Director

**(Sumit Gupta)**

(Din 06938413)

Director

Place : Mumbai

Dated : 30th May 2016



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

Particulars	Amount in ₹	
	2015-2016	2014-2015
<b>A Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before Tax	3,96,279	-2,41,994
Adjustment to reconcile profit and loss before tax to cash provided by operating activities		
Depreciation and amortisation expenses	3,637	3,637
Interest Income	(65,55,187)	(34,31,182)
Operating profit before working capital changes	(61,55,271)	(36,69,539)
Decrease/(Increase) in Stock in Trade	98,122	20,14,733
Decrease/(Increase) in Sundry Debtors	(38,67,854)	0
Decrease/(Increase) in Loans & Advances and Other Assets	3,42,863	7,69,338
(Decrease)/Increase in Current Liabilities	26,85,964	(27,00,596)
<b>Cash Generated from Operation</b>	<b>(68,96,175)</b>	<b>(35,86,063)</b>
Tax paid	0	0
<b>Net Cash Flow from Operating activities</b>	<b>(68,96,175)</b>	<b>(35,86,063)</b>
<b>B Cash Flow from Investing activities</b>		
Purchase of Fixed Assets	0	0
Sale of Investment / (Purchases of Investment)	0	0
<b>Net Cash Flow from Investing activities</b>	<b>0</b>	<b>0</b>
<b>C Cash Flow from financing activities</b>		
Interest Received	65,55,187	34,31,182
<b>Net Cash Flow from Financing activities</b>	<b>65,55,187</b>	<b>34,31,182</b>
<b>Net increase in cash and cash equivalents</b>	<b>(3,40,988)</b>	<b>(1,54,881)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>3,85,270</b>	<b>5,40,151</b>
<b>Cash and cash equivalents at end of year</b>	<b>44,280</b>	<b>3,85,270</b>

Notes referred above form an integral part of the Financial statements

As per our report attached

For **Motilal & Associates**  
Chartered Accountants  
Firm Regn. No. : 106584W

**(Motilal Jain)**  
Proprietor  
Membership No. : 036811

Place : Mumbai  
Dated : 30th May 2016

For **Ken Financial Services Limited**

**(Akash Swami)**      **(Sumit Gupta)**  
(Din 06938405)      (Din 06938413)  
Director                      Director



## NOTES TO ACCOUNTS

### Accounting policies forming part of the Accounts for the year ended on 31st March 2016

#### 1.1 Basis of preparation of financial statements

The Financial Statements are prepared under in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis except those stated at revalued amount on the going concern basis. GAAP comprises mandatory accounting standards as prescribed by the Companies Rules, 2006; the provision of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hereto in use.

#### 1.2 Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for their intended use.

#### 1.3 Depreciation:

Depreciation on tangible assets is provided to the extent of depreciable amount on straight line method over the useful life of such assets as specified in Schedule II to the Companies Act, 2013.

#### 1.4 Revenue Recognition

Revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

#### 1.5 Retirement Benefits

The Company follows the policy of accounting for the same only on crystallization of the liability.

#### 1.6 Provision for Current and Deferred Tax

Provision for Current tax is made after taking into consideration benefits admissible under the Income Tax Act, 1961. Deferred Tax is recognized, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on enacted or substantially enacted regulations. Deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

#### 1.7 Expenses

Material known liabilities are provided for on the basis of available information / estimates. Material items of prior period expenses, non-recurring and extra ordinary expenses are disclosed separately.

### **1.8 Earnings Per Share**

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

### **1.9 Stock In Trade**

Stocks are valued at lower of cost or market value.

### **1.10 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when there is present obligation as a result of a past event it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Contingent Liabilities are disclosed in the notes on accounts. Unless the possibility of any outflow in settlement is remote, contingent assets are neither recognized nor disclosed.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2016 (₹)</b>	<b>As at 31<sup>st</sup> March 2015 (₹)</b>
<b>Note 2 : SHARE CAPITAL</b>		
<b>(a) Authorised Share Capital</b>		
32,50,000 Equity Shares of Rs.10 each	3,25,00,000	3,25,00,000
(Previous year 32,50,000 Equity Shares of Rs.10 each)	<b>3,25,00,000</b>	<b>3,25,00,000</b>
<b>(b) Issued and Subscribed</b>		
30,00,100 Equity shares of Rs.10 each fully paid up	3,00,01,000	3,00,01,000
(Previous Year 30,00,100 Equity shares of Rs.10 each fully paid up)	<b>3,00,01,000</b>	<b>3,00,01,000</b>
<b>(c) Reconciliation of number of shares</b>		
Shares at the beginning of the year	30,00,100	30,00,100
Add : Shares issued during the year	0	0
Less : Buy back of shares/Reduction in share capital	0	0
Outstanding shares at the year end	<b>30,00,100</b>	<b>30,00,100</b>
<b>(d) Shares held by each shareholder holding more than 5% of the shares</b>		
Shri Sanjay Choudhary	0	3,51,900
<b>Note 3 : RESERVES &amp; SURPLUS</b>		
<b>(a) Surplus - Profit &amp; Loss account</b>		
Opening balance	53,72,232	59,01,202
Add : Net Profit/(Net Loss) for the current year	2,73,829	(2,41,994)
	56,46,061	56,59,208
Less : Fixed Assets Written off	0	2,86,977
	<b>56,46,061</b>	<b>53,72,232</b>
<b>Note 4 : DEFERRED TAX LIABILITIES (NET)</b>		
(a) Related to Fixed Assets	21,161	5,384
	<b>21,161</b>	<b>5,384</b>
<b>Note 5 : SHORT TERM BORROWINGS</b>		
(a) Borrowings from Body Corporates	23,39,612	23,39,612
	<b>23,39,612</b>	<b>23,39,612</b>

Particulars	As at 31 <sup>st</sup> March 2016 (₹)	As at 31 <sup>st</sup> March 2015 (₹)
<b>Note 6 : TRADE PAYABLES</b>		
(a) Creditors for goods	7,20,000	7,20,000
	<b>7,20,000</b>	<b>7,20,000</b>
<b>Note 7 : OTHER CURRENT LIABILITIES</b>		
(a) Other payables	3,37,480	2,88,281
(b) Bank Balance Temporary Overdrawn	26,31,658	0
(c) Statutory Dues	15,213	10,106
	<b>29,84,351</b>	<b>2,98,387</b>
<b>Note 8 : SHORT TERM PROVISIONS</b>		
(a) Provision for Tax	8,04,955	6,98,282
	<b>8,04,955</b>	<b>6,98,282</b>

**Note 9 : FIXED ASSETS - TANGIBLE ASSETS**

Particular	Gross Carrying Amount			Accumulated Depreciation					Net Carrying Amount	
	As at 1st April 2015	Additions	Deductions	As at 31st March 2016	Retained Earning	For the year	Deduction	As at 31st March 2016	As at 31st March 2016	As at 31st March 2015
Plant & Machinery	50,850	0	0	50,850	0	3,637	0	19,151	31,699	35,336
Electrical Installations	1,42,611	0	0	1,42,611	0	0	0	1,35,480	7,131	7,131
Furniture & Fixtures	17,38,225	0	0	17,38,225	0	0	0	16,70,009	68,216	68,216
Office Equipments	6,33,851	0	0	6,33,851	0	0	0	6,02,158	31,693	31,693
Computers	16,21,276	0	0	16,21,276	0	0	0	15,40,212	81,064	81,064
Total (Current Year)	<b>41,86,813</b>	<b>0</b>	<b>0</b>	<b>41,86,813</b>	<b>0</b>	<b>3,637</b>	<b>0</b>	<b>39,67,010</b>	<b>2,19,803</b>	<b>2,23,440</b>
Total (Previous Year)	<b>41,86,813</b>	<b>0</b>	<b>0</b>	<b>41,86,813</b>	<b>5,70,399</b>	<b>3,637</b>	<b>0</b>	<b>39,63,373</b>	<b>2,23,440</b>	<b>7,97,476</b>

Particulars	As at 31 <sup>st</sup> March 2016 (₹)	As at 31 <sup>st</sup> March 2015 (₹)
<b>Note 10 : LONG TERM LOANS AND ADVANCES</b> (Secured or Unsecured, Considered Good or Doubtful)		
(a) <b>Other Loans and Advances</b> (Advance recoverable in cash or kind or for value to be received)	<b>3,22,28,144</b>	<b>3,30,01,315</b>
	<b>3,22,28,144</b>	<b>3,30,01,315</b>
<b>Note 11 : INVENTORIES</b>		
(a) Stock of Shares	47,10,152	48,08,274
	<b>47,10,152</b>	<b>48,08,274</b>
<b>Note 12 : TRADE RECEIVABLES</b>		
(a) Receivables more than six months	0	0
(B) Others	38,67,854	0
	<b>38,67,854</b>	<b>0</b>
<b>Note 13 : CASH AND CASH EQUIVALENTS</b>		
(a) Cash and Cash Equivalent		
(i) Balances with Banks	10,369	3,46,908
(ii) Cash on hand	33,911	38,361
	<b>44,280</b>	<b>3,85,269</b>
<b>Note 14 : OTHER CURRENT ASSETS</b>		
(a) Balances with the Revenue Authorities	14,45,906	10,15,598
(b) Deposits	1,000	1,000
	<b>14,46,906</b>	<b>10,16,598</b>

Particulars	Year ended 31st March 2016 (₹)	Year ended 31st March 2015 (₹)
<b>Note 15 : REVENUE FROM OPERATIONS</b>		
(a) Income from Operations	15,74,919	5,84,795
	<b>15,74,919</b>	<b>5,84,795</b>
<b>Note 16 : OTHER INCOME</b>		
(a) Other Income	0	90,000
	<b>0</b>	<b>90,000</b>
<b>Note 17 : EMPLOYEE BENEFIT EXPENSES</b>		
(a) Salaries and Wages	6,57,710	6,63,349
	<b>6,57,710</b>	<b>6,63,349</b>
<b>Note 18 : DEPRECIATION AND AMORTISATION EXPENSES</b>		
(a) Depreciation Expenses	3,637	3,637
	<b>3,637</b>	<b>3,637</b>
<b>Note 19 : OTHER ADMINISTRATIVE EXPENSES</b>		
(a) Advertisement Expenses	41,758	21,589
(b) Annual Fees (BSE/CDSL/NSDL)	2,56,648	1,25,842
(c) Bank Charges	0	5,038
(e) General Office Expenses	34,050	5,615
(f) Payment to Auditors	25,000	25,000
(g) Share Registrar Fees	47,136	56,172
(h) Demat Charges	1,050	1,635
(i) Interest on Late Payment of TDS	4,340	674
(j) Interest on VAT Paid	0	8,237
(k) ROC Fees	1,07,311	0
(l) Sundry Balances Written Off	0	1
	<b>5,17,293</b>	<b>2,49,803</b>
<b>Note 20 : PAYMENT TO AUDITOR</b>		
(a) Statutory Audit Fees	25,000	25,000
	<b>25,000</b>	<b>25,000</b>
<b>Note 21 : EARNING PER SHARE</b>		
(a) Net Profit after Tax	2,73,829	(2,41,994)
(b) Weighted No. of Equity Shares outstanding during the year of Rs. 10 each	30,00,100	30,00,100
(c) Basic and diluted Earning per Eq. Share (In ₹)	0.09	-0.08

**Note 21 : SEGMENT REPORTING**

As more than 90% of Company's operations are only in one Segment, therefore separate is not required.

**Note 22 : RELATED PARTY DISCLOSURE**

List of Related Parties with whom transactions have taken place and Relationship:

- (a) Key Management Personnel and Their Relatives
- Akash Swamy
  - Sumit Gupta
  - Mukesh Saini

**Related Party Transactions**

Particulars	Referred in I (a) above
Salary/Remuneration	
Current Year	6,57,710
Previous Year	5,61,849

**Note 24 : CONTINGENT LIABILITIES AND COMMITMENTS**

There was no Contingent Liability as at 31st March, 2016 (Previous year Rs. Nil).

**Note 25 : PREVIOUS YEAR'S FIGURE**

The Previous year figures are regrouped and rearranged wherever found necessary.



**KEN FINANCIAL SERVICES LIMITED**

CIN: L65990MH1994PLC078898

302, 3rd Floor, Standard House, 83, M. K. Road, Mumbai – 400 002.

**ATTENDANCE SLIP**

Member's Folio No: \_\_\_\_\_

Client ID No: \_\_\_\_\_

DP ID No: \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Proxy Holder: \_\_\_\_\_

No of Shares Held: \_\_\_\_\_

I hereby record my presence at the 22nd Annual General Meeting of the Company held on Friday, 30th September, 2016 at 03:00 p.m. at 302, 3rd Floor, Standard House 83, M K Road, Mumbai – 400002.

\_\_\_\_\_  
Signature of member/proxy**Notes:**

1. Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.
2. Members are requested to bring their copy of Annual Report.

**Form No. MGT-11**  
**Proxy form**

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

**KEN FINANCIAL SERVICES LIMITED**

CIN: L65990MH1994PLC078898

Registered Office: 302, 3rd Floor, Standard House, 83, M. K. Road, Mumbai – 400 002.

Name of the member(s) : \_\_\_\_\_  
 Registered address : \_\_\_\_\_  
 Email Id : \_\_\_\_\_  
 Folio No./Client Id : \_\_\_\_\_  
 DP ID : \_\_\_\_\_

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
2. Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
3. Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Friday, 31st September, 2016 at 4:30 p.m. at 302, 3rd Floor, Standard House 83, M K Road, Mumbai – 400002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution Proposed
1.	To receive, consider and adopt the audited Financial Statements for the year ended 31st March, 2016 including the Balance Sheet and the Statement of Profit and Loss Account for the year ended on that date together with the report of Directors' and Auditors' thereon.
2.	Re-appointment of Mr. Mukesh Saini (holding DIN 06938409) as Director who retires by rotation
3.	Appointment of Statutory Auditors and fixing their Remuneration

Signed this ..... day of ..... 20....

Signature of shareholder: \_\_\_\_\_ Signature of Proxy holder(s): \_\_\_\_\_

**Note: 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.**

## Route Map AGM Venue



# BOOK-POST

*If undelivered, Please return to :*

**KEN FINANCIAL SERVICES LIMITED**

Registered Office: 302, 3rd Floor,  
Standard House, 83, M. K. Road,  
Mumbai – 400 002.